Vietnam Real Estate Market

Q2 2026

A summary of Vietnam's office, apartment, hotel and industrial sectors in Q2 2026, highlighting key performance indicators and future trends

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Vietnam Highlights
Economic

H1 2026

A comprehensive review of Vietnam's key macroeconomic indicators, including GDP growth, inflation, public investment, FDI, and trade performance in H1 2026.

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Strong FDI Inflows and Manufacturing Growth Reinforce Vietnam's Investment Appeal

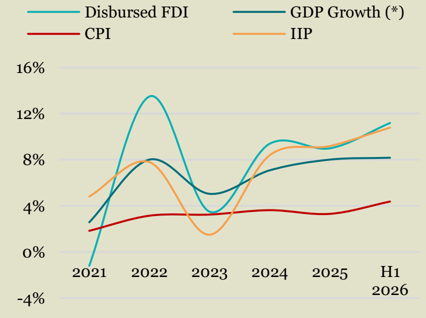
Supported by strong FDI inflows and expanding manufacturing activity, Vietnam's economy maintained solid momentum in H1 2026. This reinforces the country's ambition to achieve double-digit growth and strengthens its position as one of Southeast Asia's most attractive long-term investment destinations.

VIETNAM

Vietnam's economy demonstrated strong momentum in the first half of 2026, with GDP expanding by 8.18% y-o-y. The Index of Industrial Production (IIP) rose by 10.8%, mainly supported by the manufacturing sector, which increased by 11.4%.

In H1 2026, total trade turnover reached US$549.7 billion, up 27.1% y-o-y. Exports increased by 21.0% to US$266.5 billion, while imports rose by 33.4% to US$283.2 billion, resulting in a trade deficit of US$16.7 billion, largely reflecting strong import demand linked to investment and production activity. These figures reflect continued strength in domestic production, investment and consumption.

Fig 1: Key Economic Indicators, 2021 to H1 2026



Note: (*) GDP growth is measured at constant 2020 prices (real terms). Exchange rate: 1 US$ = 26,400 VND

Sources: Knight Frank Vietnam Research, NSO, World Bank, ADB, IMF

During H1 2026, Vietnam attracted US$34.7 billion in total registered FDI, up 61% y-o-y and equivalent to more than 90% of the full-year 2025 level. This strong FDI inflow reflects continued investor confidence, larger-scale capital commitments and a clear shift towards science-, technology- and innovation-related sectors.

HO CHI MINH CITY

During H1 2026, HCMC's economy grew by 8.55% y-o-y, marking its strongest first-half growth in the past decade and contributing approximately 24.5% to national GDP.

Industrial production remained a key driver, with an increase of 11.1% in the Index of Industrial Production (IIP). This reflected resilient manufacturing activity despite global macroeconomic challenges and rising costs.

As one of Vietnam's leading investment destinations, HCMC recorded more than US$7.5 billion in registered FDI, up 89.7% y-o-y.

The city's services and tourism sectors also recorded strong growth. Tourism revenue increased by 63.9% y-o-y to US$8.1 billion, supported by rising tourist arrivals and higher visitor spending.

HANOI

Hanoi's GRDP expanded by 8.2% y-o-y, its strongest first-half growth in the past decade, reflecting solid economic momentum. During H1 2026, the capital attracted US$3.2 billion in FDI, up 8.2% y-o-y, driven primarily by investment in high-tech manufacturing and data centres.

8.18% ▲ vs 7.63% H1 2025

GDP Growth in H1 2026
broadly on track to achieve the full-year growth target

4.38%

Average Inflation (CPI) in H1 2026
remaining below the Government's 4.5% target cap

US$34.7 bil. ▲ 61% y-o-y

Registered FDI in H1 2026

10.8%

IIP growth in H1 2026

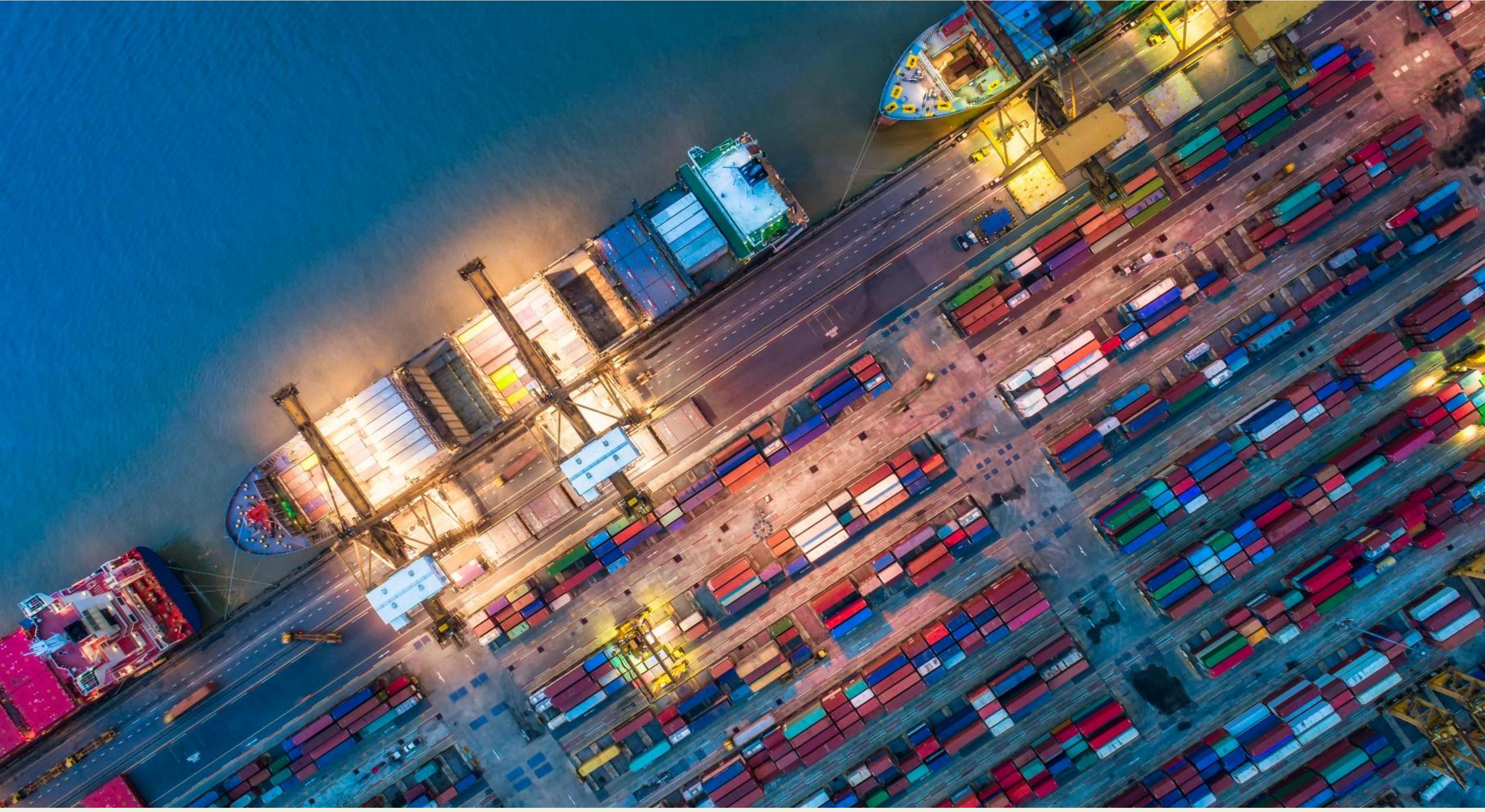
US$549.7 bil. ▲ 27.1% y-o-y

Total trade turnover in H1 2026

Note: Indicators are year-on-year unless noted.

The services and tourism sectors remained resilient, with Hanoi welcoming around 18 million visitors, up 15.7% compared with the same period last year.

To support its double-digit GRDP growth target, Hanoi accelerated public investment in H1 2026, with disbursement reaching approximately VND64 trillion, up 115.1% y-o-y. This was supported by major infrastructure projects, including ring roads, bridges and metro lines across the capital.



HCMC
Real Estate Market

Quarterly Market Highlights – Q2 2026

Published July 2026 | Prepared by Knight Frank Vietnam Research

HCMC Highlights
Office

Q2 2026

An overview of HCMC's office market in Q2 2026

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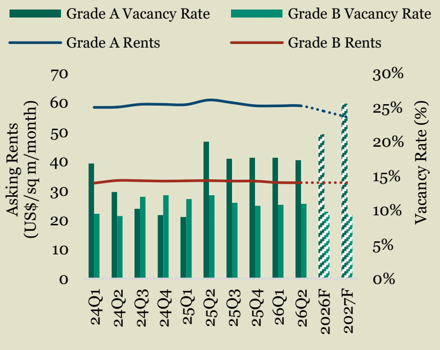
Occupiers Balance Cost Efficiency With Quality In A Selective Leasing Market

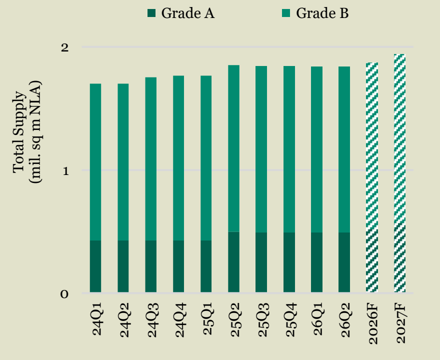
- Amid global headwinds, downward pressure is expected to persist in HCMC's office leasing market through late 2026 and into early 2027. Key highlights during Q2 2026 came from high-quality office buildings in non-CBD areas, with cost-effective offerings, underpinned by ongoing expansion of the IT/Tech sector.

Fig 1: HCMC Office Rents and Vacancy by Grade



Note: Asking rents are 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 Q2 2026, premium office rents across HCMC saw a moderate decline compared to the same period last year. Grade A asking rents averaged at US$59 per sq m, down 3% y-o-y, whereas Grade B rent dropped by 2% y-o-y to US$33 per sq m.

The flight-to-quality and decentralization trends continued to bolster the overall market occupancy, reaching 87.4% as of Q2 2026.

SUPPLY

Grade A and Grade B office supply reached approximately 1.8 mil sq m, without any significant change compared to the previous quarter.

Of which, around 86% of total Grade A stock is concentrated in the International Financial Centre (IFC) area, reinforcing its position in the city's office for lease market.

DEMAND

Amid global economic slowdown, along with increasing fit-out costs, many FDI occupiers prefer to renew leasing contracts rather than relocations. Additionally, the limited availability of flexible leasing schemes in some aging properties has driven the slow absorption rate during the reviewed quarter.

Key highlights over the quarter came from green offices in non-CBD area, driven by the continued expansion of IT/Tech sector. This underscores a decentralization trend toward premium office spaces with lower costs compared to traditional hubs.

US$39.7

▼ 0.05% q-o-q

▼ 2.7% y-o-y

A slight decrease in average asking rents for both Grade A and Grade B offices in HCMC

1.8 mil sq m

Existing premium office supply in Q2 2026

634 sq m

▼ 93% q-o-q

▼ 96% y-o-y

Total net absorption in Q2 2026, driven by green office buildings

87.4%

▲ 0.03 ppt q-o-q

▲ 1.6 ppt y-o-y

Overall market occupancy as of Q2 2026

102,000 sq m

Office pipeline during 2026-2027

OUTLOOK

The impact of global headwinds on the relocation strategies of many multinational corporations is set to weigh on HCMC's office market until late 2026 or even early 2027.

By 2027, the city's premium office supply is anticipated to expand by approximately 102,000 sq m, led by The Kross, The OpusK, and Hongfu Plaza. Being part of new VIFC – HCMC, Thu Thiem is emerging as the city's next central business district, with several large-scale mixed-use projects planned in the next 3 – 5 years.

HCMC Highlights
Apartment

Q2 2026 | A snapshot of Ho Chi Minh City's apartment market in Q2 2026 | knightfrank.com/research

Affordable And Mid-end Products Remain Resilient Amid Market Volatility

In Q2 2026, the Greater HCMC apartment market recorded 7,154 new units, of which the HCMC market accounted for 2,101 units. A total of 7,682 units were sold during the quarter, with demand primarily supported by the affordable and mid-end segments. This indicates that underlying buyer demand remains resilient and has been supported by developers' flexible sales policies designed to mitigate the impact of higher interest rates.

Fig 1: HCMC Apartment Primary Asking Price

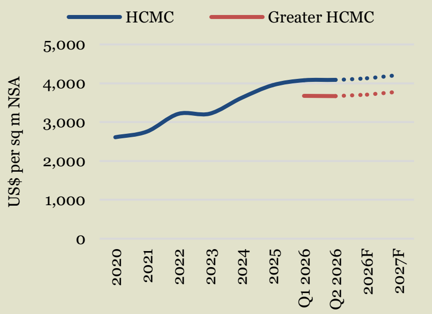
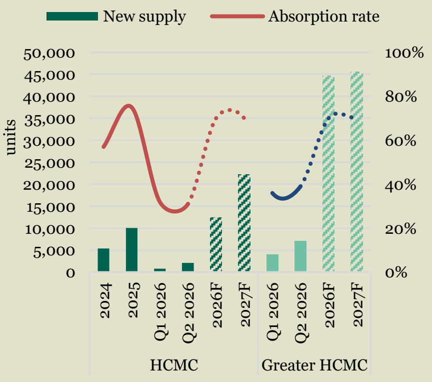


Fig 2: HCMC Apartment New Supply and Absorption Rate



Note: Absorption rate is units sold divided by total primary stock (new supply + inventory).
HCMC: Ho Chi Minh City area before provincial merger.
Greater HCMC: Ho Chi Minh City area after provincial merger with Binh Duong and Ba Ria – Vung Tau.
Sources: Knight Frank Vietnam Research

PRIMARY ASKING PRICE

The average primary asking price in the HCMC market remained broadly stable at US$4,088 per sq m. This reflected the addition of affordable supply and limited price adjustments at previously launched projects. In Greater HCMC, prices also remained stable at US$3,670 per sq m, as new launches in the expanded areas continued to be concentrated in the affordable and mid-end segments.

SUPPLY

New supply in the HCMC market increased y-o-y to 2,101 units, remaining concentrated in the luxury segment. The launch of affordable project Muong Thanh Phu Huu provided a more diversified product mix, signaling an improvement in market activity. In Greater HCMC, new supply reached 7,154 units, as developers continued to launch new projects to capture resilient demand in the expanded market.

DEMAND

The HCMC market recorded 1,781 units sold, declining y-o-y as the current launch basket was less diversified than the same period last year and recent luxury projects recorded more selective buyer conversion. In Greater HCMC, total sales reached 7,682 units, supported by affordable and mid-end supply in the former Binh Duong area, bringing the overall absorption rate to 39%.

US$4,088 ▲ 0.2% q-o-q ▲ 8% y-o-y
US$3,670 (Greater HCMC)

Average primary asking price per sq m NSA in Q2 2026 increased, driven by luxury developments

2,101 units ▲ 156% q-o-q ▲ 35% y-o-y
7,154 units (Greater HCMC)

New supply in Q2 2026, mostly from subsequent phases of Eastern projects

1,781 units ▲ 13% q-o-q ▼ 24% y-o-y
7,682 units (Greater HCMC)

New demand (units sold) in Q2 2026, sustained strong demand for new units

31%
39% (Greater HCMC)

Q2 2026 absorption rate softened, reflecting increased buyer caution amid rising mortgage interest rates

31,740 units
76,049 units (Greater HCMC)

For the 2026–2027 new supply pipeline, Binh Duong is expected to play the role of a satellite market for Greater HCMC, providing affordable and mid-end apartment supply to the wider market

OUTLOOK

By end-2027, the Greater HCMC market is expected to deliver approximately 76,000 units, of which 31,740 units from the HCMC market will be concentrated in the high-end and luxury segments. In contrast, supply in Binh Duong and Ba Ria – Vung Tau will remain focused on affordable and mid-end products, with prices expected to rise while maintaining a sufficient gap to support near-term demand.

HCMC Highlights

5-star Hotel

H1 2026

An analysis of 5-star hotel market supply, demand, room rates, and trends in HCMC as of H1 2026.

knightfrank.com/research

MICE Demand And Limited New Supply Support Hotel Performance

- Limited new supply and robust international tourism growth have supported high occupancy levels and steady ADR growth across HCMC's upscale and luxury hotel segment. Together with the establishment of the IFC and more flexible tourism attraction policies, HCMC is strengthening HCMC's positioning as a regional MICE destination.

Fig 1: HCMC 5-star Hotel – Total Supply and Occupancy Rate

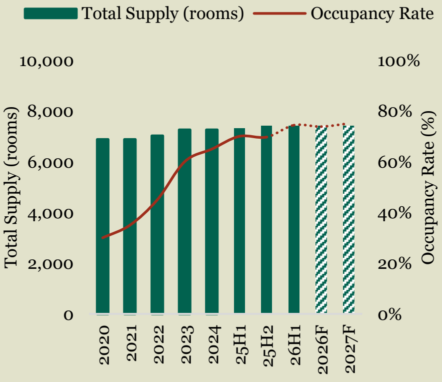
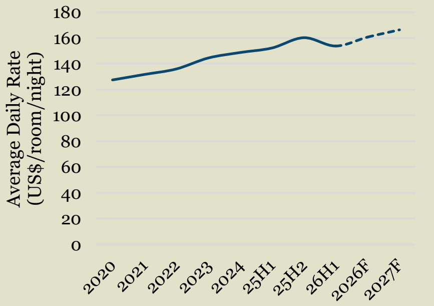


Fig 2: HCMC 5-star Hotel - Average Daily Rate (ADR)



Note: The 5-star hotel average daily rates are collected from daily rate listings on online travel agent websites. The rates are exclusive of VAT and service charges.
(*) 2026F is the forecast for the remaining quarters
Sources: Knight Frank Vietnam Research

AVERAGE DAILY RATE

In H1 2026, HCMC's 5-star ADR reached US$154 per room per night, up 2.0% y-o-y, bolstered by growing international tourism demand.

Limited new supply and robust tourism growth sustained high room rates for globally branded hotels, ranging from US$ 150-250 per room per night.

SUPPLY

During H1 2026, total 5-star hotel supply across the city reached 7,410 keys. In which, more than 70% of current stock concentrated in District 1, with the remainder scattered along the corridor connecting the CBD and Tan Son Nhat International Airport.

Despite a growing expatriate population and expanding business community, the supply of luxury hotels across eastern and southern HCMC remains limited, highlighting significant development potential.

DEMAND

The continued expansion of MICE tourism has driven 5-star hotel occupancy to 74% as of H1 2026, up 4 ppts y-o-y. This momentum was supported by Resolution No. 62/2025/NQ-HĐND, which introduced more flexible incentives to attract business events and group travelers.

In H1 2026, international tourist arrivals to HCMC reached over 6.4 million, up 50% y-o-y and 36% compared to H2 2025 levels, with ASEAN countries and the Middle East emerging as key source markets.

US$154 ↑ 2% y-o-y

5- star hotel Average Daily Rate (ADR) as of H1 2026

7,410 keys ↑ 1.5% y-o-y

Total existing 5-star hotel supply in HCMC as of H1 2026

4,700 keys

Total branded 5-star hotel supply across HCMC

74% ↑ 4% y-o-y

5-star hotel occupancy in H1 2026, driven mainly by steady MICE demand

No new supply

Hotel pipeline in HCMC during 2026 - 2027

OUTLOOK

By 2028, HCMC's 5-star hotel supply is projected to remain limited, mainly from long-delayed projects in the city centre.

Amid changing competitive landscape in the hospitality industry, many premium hotels across the city have proactively upgraded rooms and amenities to attract diverse guests.

Over the next 3 - 5 years, the development of IFC is set to catalyse the entry of luxury and ultra-luxury hotel brands into the city, thus strengthening its position as a leading regional MICE destination.

Greater HCMC Highlights

Industrial Park

H1 2026

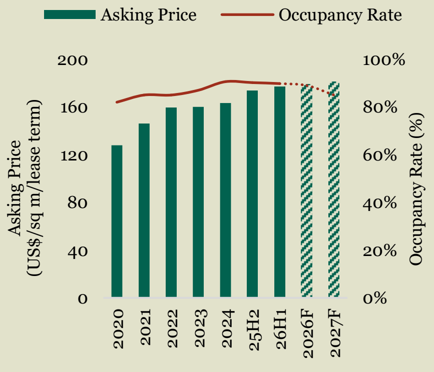
An overview of the industrial park market in the Greater HCMC as of H1 2026.

knightfrank.com/research

New Supply Outpaces Take-up As Demand Remains Selective

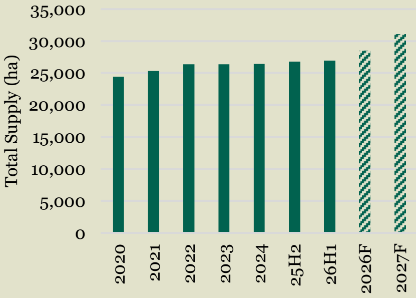
The Greater HCMC market recorded 171 ha of new supply in H1 2026, while net absorption reached 42 ha as occupier demand remained selective. With most established industrial parks in the region close to full occupancy, remaining available industrial land has become increasingly concentrated in Long An and Ba Ria - Vung Tau. Despite slower take-up, average asking rents edged up to US$177 per sq m per lease term.

Fig 1: Greater HCMC Industrial Park Market Performance



Note: Asking price per remaining lease term

Fig 2: Greater HCMC Industrial Park Total Supply



Southern Region or ***Greater HCMC*** *includes HCMC, Binh Duong, Dong Nai, Long An and Ba Ria – Vung Tau pre-merger*
Northern Region or ***Greater Hanoi*** *includes Hanoi, Hung Yen, Bac Ninh, Hai Phong and Hai Duong pre-merger*
Sources: Knight Frank Vietnam Research

AVERAGE ASKING PRICE

Average asking price rose to US$177 per sq m per lease term. Rental growth was mainly driven by selected industrial parks in Long An and Ba Ria – Vung Tau, where port-proximate locations recorded increases of 5–10%. In contrast, asking rents across most other locations remained broadly stable, including established hubs such as Ho Chi Minh City and Dong Nai.

SUPPLY

The market recorded 171 ha of new industrial land supply, up 101% y-o-y, driven by the launch of Nam Tan Tap Industrial Park in the former Long An province. This brought total accumulated stock across Greater HCMC to 29,621 ha, partially easing supply pressure after a prolonged period of limited new launches.

DEMAND

Demand remained positive but more selective, with net absorption reaching 42 ha in H1 2026. The occupancy rate edged down to 89.8%, mainly due to the entry of new supply during the period. Leasing activity was concentrated in the former Long An province, led by Nam Tan Tap Industrial Park and Phu An Thanh Industrial Park.

US$177 ▲ 1.7% h-o-h ▲ 4.7% y-o-y

Port-proximate supply supported modest rental growth

171 ha ▲ 101% y-o-y

New supply recorded in H1 2026, delivered by Nam Tan Tap IP in Long An

42 ha

Net absorption during H1 2026, with new supply contributing 21% of change

89.8% ▼ 0.4 ppts h-o-h ▼ 0.4 ppts y-o-y

Occupancy rate during H1 2026

2,626 ha

Future supply forecast for 2026–2027

OUTLOOK

Looking ahead to end-2027, the Greater HCMC industrial land market is expected to welcome approximately 2,626 ha of new supply. In H2 2026, key upcoming projects are expected to include Bau Can – Tan Hiep IP – Phase 1, Cay Truong IP, Tandoland IP and VSIP III IP – Phase 2. This significant pipeline is expected to alleviate the current shortage of industrial land and support the continued expansion of high-tech manufacturing clusters.

Greater HCMC Highlights

Ready-built Factory

H1 2026

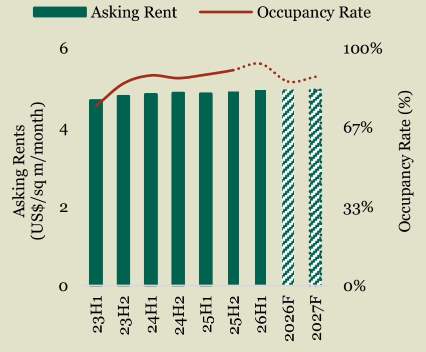
An overview of the ready-built factory market in the Greater HCMC as of H1 2026.

knightfrank.com/research

Limited Supply Supports Occupancy While Higher-Specification Factories Gain Momentum

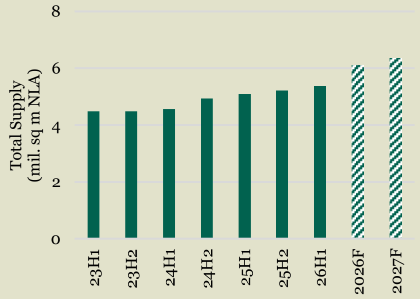
In H1 2026, strong net absorption of 190,800 sq m outpaced new supply, driving the average occupancy rate to 93.6%. Average asking rents continued their upward trend, reaching US$4.95 per sq m per month, supported by stable demand across key manufacturing and logistics hubs.

Fig 1: Greater HCMC Ready-built Factory Market Performance



Note: Asking rents are inclusive of service charge and exclusive of VAT

Fig 2: Greater HCMC Ready-built Factory Total Supply



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*Northern Region or **Greater Hanoi** includes Hanoi, Hung Yen, Bac Ninh, Hai Phong and Hai Duong pre-merger*
Sources: Knight Frank Vietnam Research

AVERAGE ASKING RENT

Average asking rents rose modestly to US$4.95 per sq m per month, up 0.6% h-o-h and 1.6% y-o-y. This growth was driven by sustained occupier demand in key manufacturing and logistics hubs near Ho Chi Minh City, particularly Nhon Trach, Long Thanh and Can Giuoc, where asking rents rose by 5–10% h-o-h.

SUPPLY

New supply remained modest in H1 2026, with only 54,000 sq m completed. Supply is expected to accelerate in H2 2026, with most new projects concentrated in Binh Duong and Dong Nai. At the same time, the high-quality ready-built factory segment is entering a new phase of development, as developers adopt international-standard specifications to better serve the increasingly sophisticated needs of manufacturers and logistics operators.

DEMAND

Net absorption surged to nearly 190,800 sq m, significantly surpassing new supply and lifting the occupancy rate to 93.6%. Momentum remains driven by the electronics and high-tech manufacturing sectors (TLT Electronics, Coherent), which prioritise ready-to-move-in solutions to ensure speed-to-market and mitigate construction risks in an increasingly competitive landscape.

US$4.95 ▲ 0.6% h-o-h ▲ 1.6% y-o-y

Average asking rents per sq m per month

54,000 sq m

New supply in H1 2026 came solely from BW Phu An Thanh in Long An

190,800 sq m

Net absorption in H1 2026, significantly outpacing new supply

93.6% ▲ 2.6 ppts h-o-h ▲ 4.5 ppts y-o-y

High occupancy supported by limited new supply

1,177,100 sq m

Future supply expected to come online in 2026-2027

OUTLOOK

Looking ahead to 2026-2027, the market is expected to expand further with approximately 1,177,100 sq m of new supply coming online. Among the upcoming developments, multi-storey ready-built factories are expected to account for approximately 20% of future supply, including Frasers BDIP, Long Hau LEED Park and Binh Chieu C2-1.

Greater HCMC Highlights

Ready-built Warehouse

H1 2026

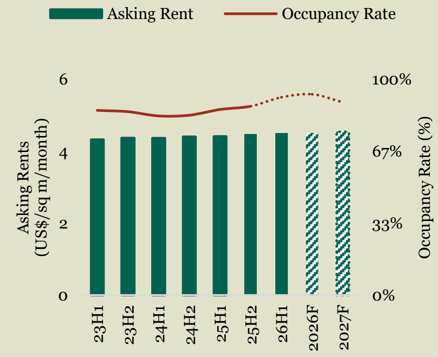
An overview of the ready-built warehouse market in the Greater HCMC as of H1 2026.

knightfrank.com/research

Limited Supply Supports Modern Warehouse Occupancy

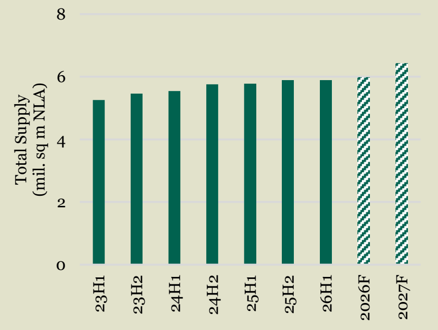
- Driven by the rapid growth of e-commerce and third-party logistics (3PLs), the Greater HCMC logistics market remained resilient in H1 2026. Limited new supply continued to support the strong performance of ready-built warehouse (RBW) market, with occupancy remaining high at 91.6%.

Fig 1: Ready-built Warehouse Market Performance



Note: Asking rents are inclusive of service charge and exclusive of VAT

Fig 2: Ready-built Warehouse Total Supply



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Sources: Knight Frank Vietnam Research

AVERAGE ASKING RENT

The average asking rents for Greater HCMC RBW reached US$4.5 per sq m per month in H1 2026, up 2.3% y-o-y, driven primarily by rental growth in the modern warehouse segment. BW recorded the strongest rental growth, increasing asking rents by 10–15% h-o-h across its premium warehouse portfolio, while other operators such as Mapletree and SLP also raised rents for selected assets. Consequently, the average asking rents for modern warehouses increased to US$5.1 per sq m per month, representing a 4.0% y-o-y increase.

SUPPLY

As of H1 2026, the total RBW stock in Greater HCMC remained unchanged at approximately 5.9 million sq m, with no new supply recorded during the first half of the year. Looking ahead, the 2026 supply pipeline is expected to be concentrated in Dong Nai, supported by ongoing transport infrastructure improvements that are enhancing connectivity and strengthening the province's role as a key logistics hub for Greater HCMC.

DEMAND

During H1 2026, the Greater HCMC market recorded net absorption of around 243,500 sq m, up 44% y-o-y.

The steady demand for logistics space has been supported by healthy demand from third-party logistics operators and the absence of new supply during the quarter.

US$4.5

▲ 0.7% h-o-h

▲ 2.3% y-o-y

Market-wide asking rents increased steadily, driven by modern warehouse developments strategically located within a one-hour drive of HCMC, key ports, and upcoming Long Thanh International Airport

0 sq m

No new supply was recorded in the Greater HCMC RBW market during H1 2026

243,500 sq m

Total net absorption during H1 2026, mainly from key logistics hubs in Long An

91.6%

▲ 4.1 ppts h-o-h

▲ 5.6 ppts y-o-y

Strong occupier demand for modern warehouse space

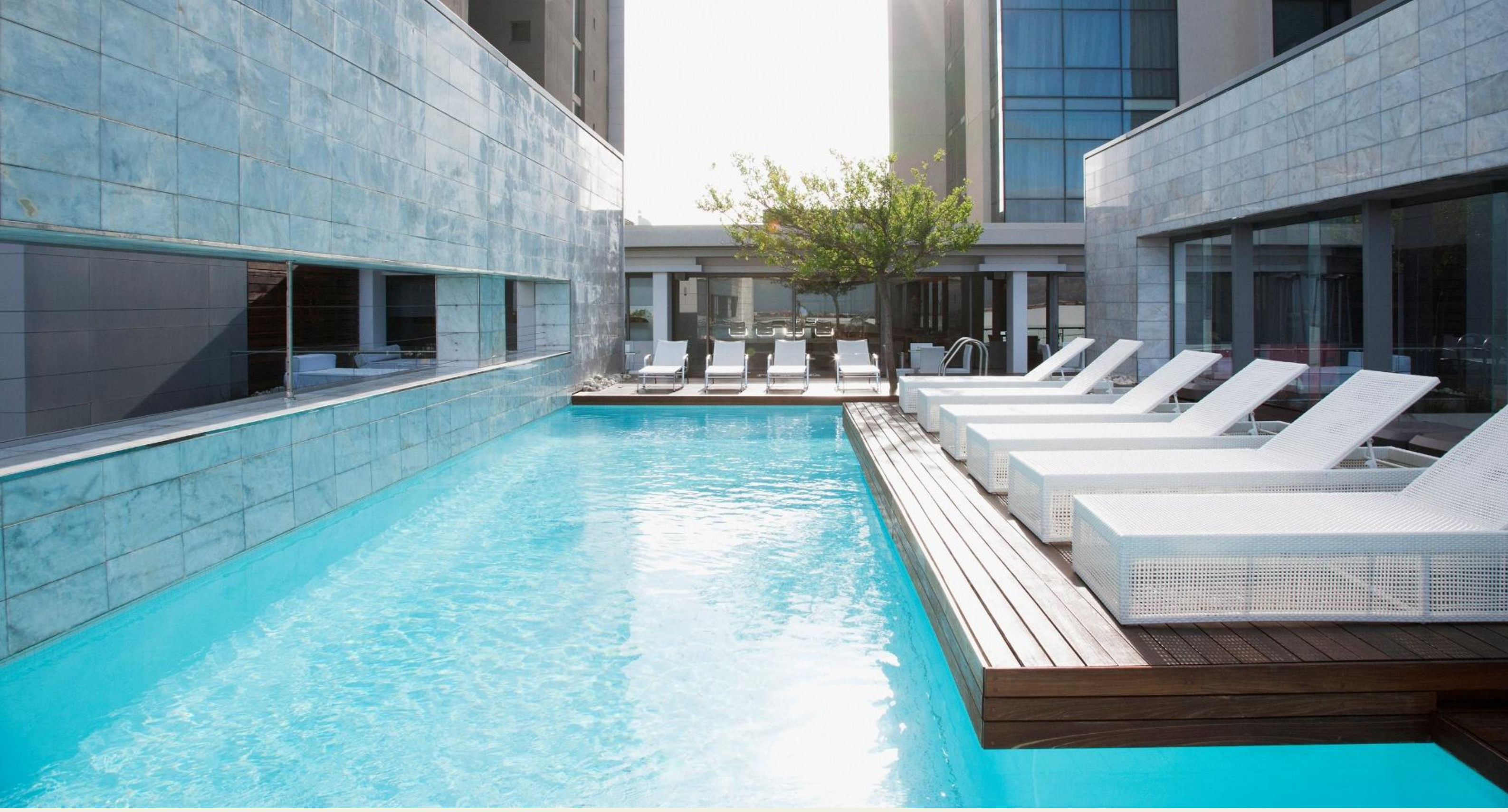
531,300 sq m

Warehouse pipeline for 2026–2027, led by Dong Nai and Long An

OUTLOOK

Over the next two years, neighbouring provinces, including Dong Nai and Long An, will continue to dominate the warehouse market, bringing 98% of the total pipeline.

Ongoing expansion by key players, such as KCN, BW and SLP, along with major infrastructure upgrades, including Long Thanh International Airport, the Ben Luc – Long Thanh Expressway, and Ring Road 3, will support the continued growth of the Greater HCMC logistics sector in the near term.



Hanoi
Real Estate Market

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Hanoi Highlights
Office

Q2 2026

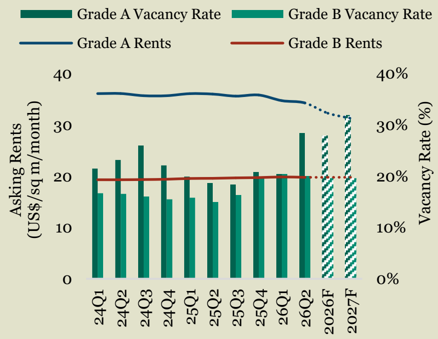
An overview of Hanoi's office market as of Q2 2026

knightfrank.com/research

Occupancy Falls To A 12-year Low Amid A Wave Of New Supply

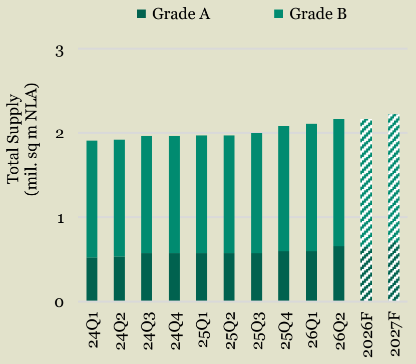
Due to rising competitive pressure from the influx of premium office spaces in recent quarters, the Hanoi office for lease market remained challenging in Q2 2026. Despite softer overall market conditions, occupier demand continued to favour new high-quality office buildings, particularly in the West, reflecting the ongoing flight-to-quality trend.

Fig 1: Hanoi Office Rents and Vacancy by Grade



Note: Asking rents are 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

In Q2 2026, Grade A office rents continued a downward trajectory to US$34 per sq m (down 5% y-o-y), indicating the landlords' efforts to fill vacant space. Meanwhile, Grade B rents remained stable at around US$20 per sq m, up 1% y-o-y, driven by slightly higher rates from new high-standard offices in recent quarters.

Due to abundant new supply over the past four quarters, overall market vacancy rose by 2 ppts to 22.6% as of Q2 2026.

SUPPLY

Total Grade A and Grade B office stock in Hanoi reached approximately 2.2 million sq m of net leasable area (NLA) in Q2 2026, up 2.5% quarter-on-quarter and more than double the level recorded 12 years ago.

During Q2 2026, the new completion of a Grade A project, IFC Hanoi, added nearly 60,000 sq m NLA to the market. The new launch has driven total office supply in West Westlake to around 112,000 sq m, marking 5% of total stock.

DEMAND

During Q2 2026, Hanoi's net absorption fell sharply to around 2,200 sq m, primarily due to rising vacancy in several long-established office buildings.

Nevertheless, the Hanoi market recorded a stronger shift toward the West, mainly driven by new prime offices with competitive lease terms. IT/Tech and Finance/Banking/Insurance sectors continued to dominate the office market over the quarter.

US$24.2 ↑ 0.4% q-o-q ↓ 0.9% y-o-y

Market-wide asking rents for Hanoi Grade A and Grade B offices as of Q2 2026

59,700 sq m

New Grade A office supply during Q2 2026, coming from IFC Hanoi in West Westlake

2,200 sq m ↓ 76% q-o-q ↓ 88% y-o-y

Net absorption for both grades in Q2 2026

77.4% ↓ 2.2 ppts q-o-q ↓ 6.5 ppts y-o-y

Market occupancy as of Q2 2026

62,000 sq m

Total office pipeline during 2026-2027

OUTLOOK

By 2027, the Hanoi office market is set to welcome a strong wave of new supply, reaching around 62,000 sq m. Key office developments include Parc Hanoi, Westlake Square Hanoi, and CATGO Office Tower.

Until 2028, the West Westlake area is expected to dominate the prime office pipeline in the city.

Recent infrastructure upgrades across Hanoi, such as metro lines, ring roads, or bridges, are expected to accelerate the office decentralization trend towards non-CBD hubs.

Knight Frank

Hanoi Highlights

Apartment

Q2 2026

An analysis of apartment market supply, demand, prices, and trends in Hanoi as of Q2 2026

knightfrank.com/research

Elevated Prices Weigh On Apartment Demand

In Q2 2026, Hanoi recorded 6,756 new units, with the luxury segment continuing to account for a significant share of supply. With 4,912 units sold during the quarter, demand was mainly supported by mid-end and high-end projects. Average primary asking prices showed signs of stabilization, remaining broadly stable at US$4,356 per sq m, while the absorption rate declined to 48% as elevated prices continued to weigh on demand.

Fig 1: Hanoi Apartment Primary Asking Price

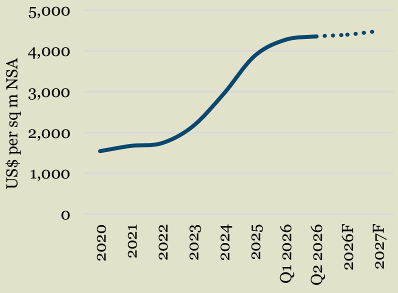
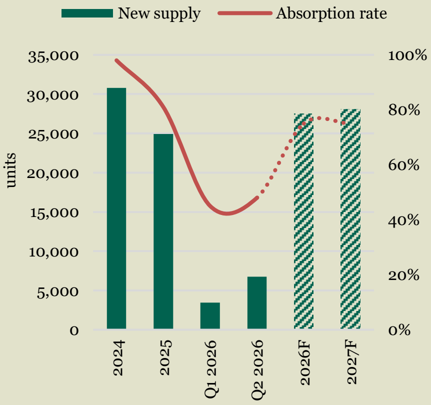


Fig 2: Hanoi Apartment New Supply and Absorption Rate



Note: Absorption rate is units sold divided by total primary stock (new supply + inventory).
CBD Fringe: Tay Ho, Ba Dinh, Dong Da, Hai Ba Trung, Thanh Xuan. Suburban: Nam Tu Liem, Gia Lam, Dong Anh, Long Bien, Ha Dong, etc.
Sources: Knight Frank Vietnam Research

PRIMARY ASKING PRICE

The average primary asking price reached US$4,356 per sq m, edging up by around 1% q-o-q. The modest increase was supported by a more diversified launch basket across the mid-end and high-end segments, while previously launched projects recorded limited price adjustments during the quarter.

SUPPLY

Total primary stock reached 10,300 units, comprising 6,756 units from new launches and 3,544 units of inventory. New launches declined markedly y-o-y, reflecting a more cautious launch strategy among developers. Luxury projects accounted for 42% of new supply, led by LUMIÈRE Hanoi Season Garden and LUMIÈRE Essence Peak, while high-end and mid-end launches such as Imperia Sky Park and Viha Flora provided greater diversity in market offerings.

DEMAND

Apartment sales in Hanoi moderated as elevated price levels weighed on take-up, with units sold were equivalent to around 70% of new launches. Total sales reached 4,912 units, while the absorption rate declined from 77% in Q2 2025 to 48%, as buyers became more selective amid higher-priced products, rising mortgage rates and a rapidly evolving planning context. Demand was mainly supported by mid-end and high-end projects within the new launch basket.

US$4,356 ▲ 1% q-o-q ▲ 33% y-o-y

Broadly stable amid diversified supply and limited price adjustments

6,756 units ▲ 115% q-o-q ▼ 26% y-o-y

New launches declined y-o-y amid slower market activity

4,912 units ▲ 91% q-o-q ▼ 42% y-o-y

Sales moderated y-o-y as elevated prices weighed on take-up

48%

Lower absorption y-o-y as the market entered an adjustment phase

45,417 units

Future supply in 2026-2027, anchored by Western townships and emerging northern corridors

OUTLOOK

By end-2027, the Hanoi market is expected to deliver approximately 45,000 new units. More than one-third of this pipeline will come from the West, supported by sizeable land banks in large-scale township developments in suburban areas. The CBD Fringe will follow, with remaining land plots in Tay Ho and Thanh Xuan. As township developments in the East and West become more mature, northern districts such as Dong Anh and Me Linh are expected to emerge as the next large-scale development corridor.

Knight Frank

Hanoi Highlights
5-star Hotel

H1 2026

An analysis of 5-star hotel market supply, demand, room rate, and trends in Hanoi as of H1 2026.

knightfrank.com/research

Strong Tourism Growth Accelerates Hanoi's Luxury Hotel Expansion

- Thanks to a stable political environment and diverse tourism products, Hanoi recorded strong tourism growth, driving improvements in both occupancy and average daily rates (ADR) in H1 2026, while continuing to attract international operators in the 5-star hotel segment.

Fig 1: Hanoi 5-star Hotel - Total Supply and Occupancy Rate

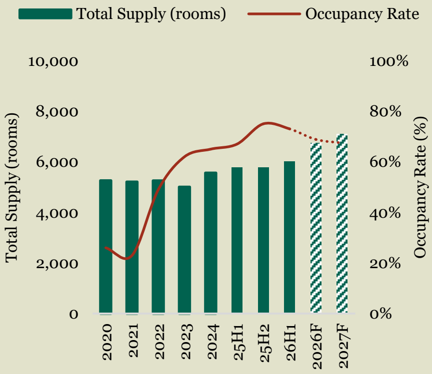
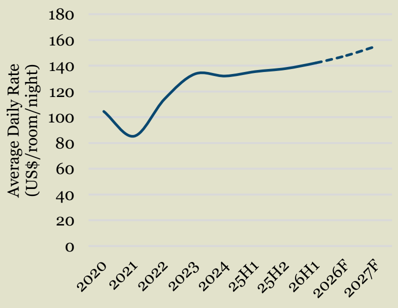


Fig 2: Hanoi 5-star Hotel - Average Daily Rate (ADR)



The asking average daily rates are collected from daily rate listings on online travel agent websites. The rates are exclusive of VAT and service charges.
(*) 2026F is the forecast for the remaining quarters
Sources: Knight Frank Vietnam Research

AVERAGE DAILY RATE

In H1 2026, Hanoi's 5-star hotel ADR reached US$142 per room per night, up 5.7% y-o-y, supported by the opening of a new luxury hotel in the CBD and continued growth in international tourism.

As a prime hotel hub, the CBD remained the market leader, with the highest ADR at US$233 per night, followed by The West and West Westlake submarkets.

SUPPLY

During H1 2026, the city welcomed a brand-new luxury hotel, bringing total supply to approximately 6,012 rooms. This also marked the debut of the Fairmont brand in Vietnam, indicating a clearer structural shift towards luxury and ultra-luxury hotel positioning in the Hanoi market.

The West submarket led the city in terms of supply, accounting for around 33.5% of total stock, supported by the presence of key business districts and strong connectivity to Noi Bai International Airport.

DEMAND

Hanoi's 5-star hotel occupancy rose to 73% as of H1 2026, with recently opened hotels achieving healthy occupancy due to distinctive concepts, diverse amenities and premium guest experiences.

International tourist arrivals to Hanoi reached 4.6 million in H1 2026 (+27% y-o-y), driven by Tet holidays and cultural events. Key source markets remained concentrated in the Asia region, particularly from Japan, South Korea, Mainland China, and Taiwan.

US$142 ⬆ 5.7% y-o-y

Upward trend in average daily rate, driven by the increasing number of tourist arrivals

6,012 keys ⬆ 3.5% y-o-y

Total existing supply of 5-star hotels in Hanoi as of H1 2026

241 keys

New completion of Fairmont Hanoi in CBD during H1 2026

73% ⬆ 6 ppts y-o-y

Overall hotel occupancy as of H1 2026

1,089 rooms

Hotel pipeline during 2026 - 2027, dominated by international hotel brands

OUTLOOK

By the end of 2026, the capital city is expected to witness an influx of new global hotel brands, such as Four Seasons, Hyatt Centric, and Shilla Monogram, adding around 720 new rooms to the market. Upcoming premium hotels are scattered across CBD, Midtown, and West Westlake areas.

Recent infrastructure breakthroughs, such as metro lines and ring roads, are expected to unlock new development space for the 5-star hotel segment, particularly towards the West Westlake area over the coming years.

Greater Hanoi Highlights

Industrial Park

H1 2026

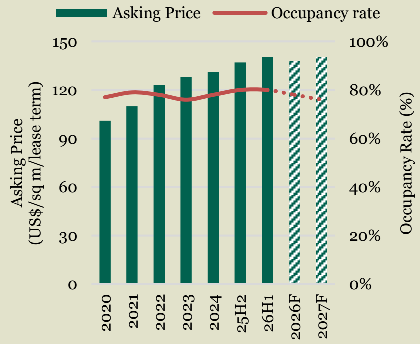
An analysis of industrial park market supply, demand, prices, and trends in Greater Hanoi in H1 2026.

knightfrank.com/research

Electronics Sector Drives Industrial Park Take-up

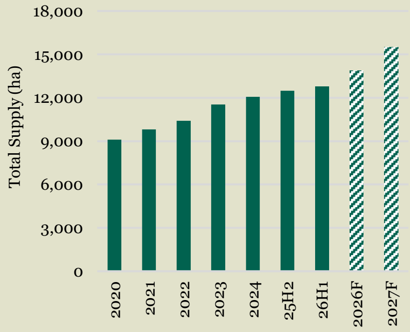
The market welcomed 310 ha of new supply in H1 2026 while maintaining stable occupancy at 80%, as average asking rents edged up to US$140 per sq m per lease term. The addition of two new industrial parks in Bac Ninh was supported by continued activity from electronics-related occupiers, reinforcing the province's role within the region's high-tech manufacturing corridor.

Fig 1: Greater Hanoi Industrial Park Market Performance



Note: Asking price per remaining lease term

Fig 2: Greater Hanoi Industrial Park Total Supply



*Southern Region or **Greater HCMC** includes HCMC, Binh Duong, Dong Nai, Long An and Ba Ria – Vung Tau pre-merger*
*Northern Region or **Greater Hanoi** includes Hanoi, Hung Yen, Bac Ninh, Hai Phong and Hai Duong pre-merger*
Sources: Knight Frank Vietnam Research

AVERAGE ASKING PRICE

Greater Hanoi asking rents continued to edge upward, increasing 0.7% h-o-h to US$140 per sq m per lease term. Prime industrial hubs remained resilient despite broader supply additions, with selected projects continuing to command premium rates of up to US$180 per sq m per lease term.

SUPPLY

New supply in H1 2026 totalled 310 ha, driven by Que Vo II IP – Phase 2 and Que Vo III IP – Phase 2 in Bac Ninh. Both projects released their full land banks for lease during the period, adding meaningful inventory to Greater Hanoi's leading industrial hub, supported by its deep electronics ecosystem and proximity to major logistics corridors.

DEMAND

Demand remained robust, with net absorption reaching 235 ha in H1 2026 while occupancy remained stable at 80%. Positive absorption was recorded at key industrial parks such as Gia Binh IP, VSIP Hai Phong, IP No.3 and Nam Son – Hap Linh IP, supported by demand from electronics, components, AI-related and data-centre cooling supply chains, as well as supporting industries. This continued to reinforce Greater Hanoi's position as a key high-tech manufacturing hub in Greater Hanoi.

US$140
▲ 0.7% h-o-h
▲ 2.9% y-o-y

Average asking price (per sq m per lease term), maintaining a steady upward trend

310 ha
▲ 123% h-o-h
▲ 107% y-o-y

New supply in H1 2026, delivered by Que Vo II IP – Phase 2 and Que Vo III IP – Phase 2 in Bac Ninh

235 ha

Net absorption in H1 2026

80%
➡ 0 ppts h-o-h
➡ 0 ppts y-o-y

Occupancy rate in H1 2026

3,232 ha

Future supply forecast for 2026-2027, concentrated in Hai Phong and Hung Yen

OUTLOOK

Looking ahead to end-2027, the market is forecast to add approximately 3,232 ha of new supply, with the pipeline largely concentrated in Hai Phong and Hung Yen. In H2 2026, around 660 ha is expected to enter the market. This upcoming inventory will further strengthen the region's industrial land bank and support the continued expansion of high-tech and supporting manufacturing clusters.

Greater Hanoi Highlights

Ready-built Factory

H1 2026

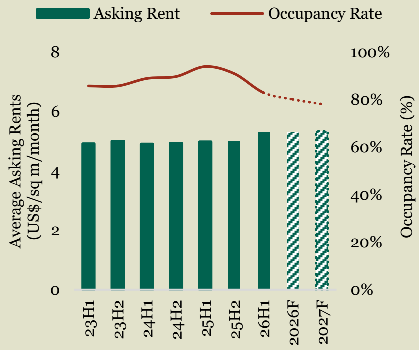
An overview of the ready-built factory market in the Greater Hanoi as of H1 2026.

knightfrank.com/research

Occupancy Eases As New Supply Accelerates

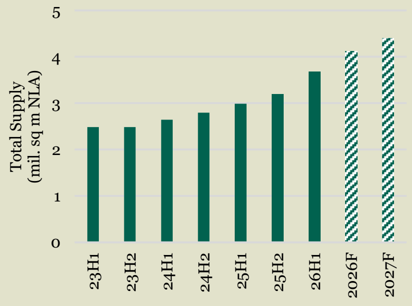
Greater Hanoi's RBF market entered a period of adjustment in H1 2026 as 399,400 sq m of new supply outpaced take-up. Despite average asking rents remaining at a nationwide high of US$5.3 per sq m per month, occupancy eased to 82.8%, while net absorption continued to be supported by “China Plus-One” manufacturers and high-tech ecosystems.

Fig 1: Greater Hanoi Ready-built Factory Market Performance



Note: Asking rents are inclusive of service charge and exclusive of VAT

Fig 2: Greater Hanoi Ready-built Factory Total Supply



*Southern Region or **Greater HCMC** includes HCMC, Binh Duong, Dong Nai, Long An and Ba Ria – Vung Tau pre-merger*
*Northern Region or **Greater Hanoi** includes Hanoi, Hung Yen, Bac Ninh, Hai Phong and Hai Duong pre-merger*
Sources: Knight Frank Vietnam Research

AVERAGE ASKING RENT

As of H1 2026, the average asking rents for ready-built factories in Greater Hanoi reached US$5.3 per sq m per month, up 1.5% y-o-y, remaining the highest nationwide. Despite rising construction costs, project delivery remained on schedule, with newly completed factories achieving asking rents of US$5.5 - 6.0 per sq m per month. Notably, in Yen Phong, asking rents increased by 5 - 10%, driven by ongoing infrastructure upgrades, particularly the Ring Road 4 project.

SUPPLY

H1 2026 recorded 399,400 sq m of new supply, driven by key launches including BW ESR Yen Phong, BW Que Vo 2, BW Deep C Hai Phong 2 (Phase 2), and Frasers Yen Phong Expansion with the majority of projects located in Bac Ninh.

DEMAND

Demand remained broadly stable but eased slightly due to increased ready-built factory supply. Occupancy declined by 11 ppts y-o-y to 82.8%. Net absorption reached 156,000 sq m, supported by demand from high-tech manufacturers and China Plus One investor. Occupiers continued to favour ready-to-occupy facilities to minimise setup time, with strong leasing activity concentrated in established high-tech manufacturing hubs.

US$5.3

▲ 1.4% h-o-h
▲ 1.5% y-o-y

Average asking rents continued to rise, which remains the highest level nationwide

399,400 sq m

New supply in H1 2026 was recorded

156,000 sq m

Net absorption in H1 2026, fuelled by "China-Plus-One" flows and high-tech ecosystems

82.8%

▼ 8 ppts h-o-h
▼ 11 ppts y-o-y

Occupancy rate eased as a significant volume of new supply entered the market

616,000 sq m

Future supply projected for 2026-2027, as developers aggressively expand land banks in key industrial hubs

OUTLOOK

Looking ahead to 2026-2027, the market is poised for a significant expansion with approximately 616,000 sq m of new supply expected, heavily front-loaded in 2026. The pipeline will be anchored by major developers such as BW and Frasers Property, which are aggressively expanding their land banks in key logistics hubs such as Hai Phong and Hung Yen.

Knight Frank

Greater Hanoi Highlights

Ready-built Warehouse

H1 2026

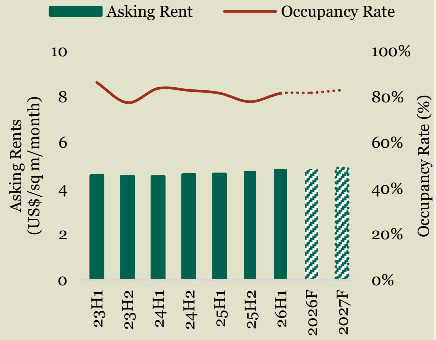
An overview of the ready-built warehouse market in the Greater Hanoi as of H1 2026.

knightfrank.com/research

Robust Leasing Activity Supports Stable Occupancy

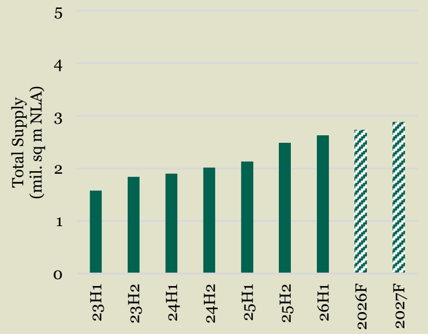
The Greater Hanoi ready-built warehouse (RBW) market performed strongly in H1 2026, with healthy occupier demand absorbing the majority of the new supply delivered during the period. Occupancy reached 81.5%, supported by continued manufacturing FDI under the China Plus One strategy and ongoing infrastructure improvements across the Greater Hanoi industrial market.

Fig 1: Ready-built Warehouse Market Performance



Note: Asking rents are inclusive of service charge and exclusive of VAT

Fig 2: Ready-built Warehouse Total Supply



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*Northern Region or **Greater Hanoi** includes Hanoi, Hung Yen, Bac Ninh, Hai Phong and Hai Duong pre-merger*
Sources: Knight Frank Vietnam Research

AVERAGE ASKING RENT

As of H1 2026, market-wide asking rents for Greater Hanoi ready-built warehouses rose by 4.2% y-o-y to US$4.8 per sq m. The increase was primarily supported by modern warehouse developments in key industrial hubs, particularly Bac Ninh and Hai Phong. Among them, SLP, LŌ-GOI and BW revised asking rents upward by approximately 5% h-o-h across their warehouse portfolios.

SUPPLY

During H1 2026, the total existing warehouse supply in Greater Hanoi stood at approximately 2.6 million sq m. Of which, modern supply dominated the market, accounting for around 75% of the total stock. BW led the Greater Hanoi RBW market in terms of new supply during H1 2026, completing over 192,100 sq m of NLA across Hung Yen, Bac Ninh and Hai Phong. The developer's continued expansion strengthened the supply of modern warehouse space in the region's key industrial hubs.

DEMAND

Greater Hanoi RBW recorded strong net absorption of 209,600 sq m in H1 2026, indicating a 198% y-o-y increase.

Over this period, the robust demand for high-specification warehouses from Chinese electronics and 3PL occupiers, amidst global trade uncertainty, was the key driver for the Greater Hanoi region.

US$4.8
▲ 1.8% h-o-h
▲ 4.2% y-o-y

Increasing average asking rents, driven by new modern warehouse supply

206,600 sq m

New supply during H1 2026, dominated by Bac Ninh

209,600 sq m

Total net absorption during H1 2026, supported by Chinese manufacturers

81.5%
▲ 2.4 ppts h-o-h
➡ 0 ppts y-o-y

Higher market occupancy in H1 2026, broadly unchanged y-o-y

260,500 sq m

Future supply projected during 2026 - 2027, mainly from modern warehouses

OUTLOOK

Looking ahead to the next two years, the Greater Hanoi market will welcome an additional 260,500 sq m, led by modern supply.

Bac Ninh and Hai Phong remain major logistics hubs in the region, strengthened by substantial infrastructure upgrades and FDI inflows into the manufacturing sector, particularly in hi-tech industries.

Although market-wide asking rents are expected to remain flat, landlords will offer more flexible leasing terms to fill vacant space ahead of the arrival of new supply.

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

INVESTMENT ENQUIRIES

Alex Crane

Managing Director
+84 93 645 8000
alex.crane@knightfrank.com

CAPITAL MARKETS ENQUIRIES

Ben Gray

Partner, Head of Capital Markets
+84 83 305 1591
ben.gray@knightfrank.com

VALUATION & ADVISORY ENQUIRIES

Tuyen Huynh

Director, Head of
Valuation & Research
+84 90 7997 612
tuyen.huynh@knightfrank.com

MARKETING ENQUIRIES

Tien Pham

Manager
Marketing Communication
+84 93 9493735
tien.pham@knightfrank.com

LEASING ENQUIRIES

Leo Nguyen

Senior Director
Occupier Strategy & Solutions
+84 90 5798 788
leo.nguyen@knightfrank.com

RESEARCH ENQUIRIES

Son Hoang

Associate Director
Market Research
+84 97 7282 930
son.hoang@knightfrank.com

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DEFINITION

Vietnam's apartment market is divided into five segments based on Net Saleable Area (NSA) 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 NSA, excluding VAT.

The absorption rate is the ratio of new sales to the total of new supply plus existing supply at the start of the period. It indicates how quickly newly launched units are taken up by buyers within a given timeframe.

In Ho Chi Minh City, office submarkets are grouped into the CBD (Central Business District), CBD Fringe, Non-CBD, Saigon South, and Thu Duc City.

All office rents are quoted in US dollars per square meter of Net Leasable Area (NLA) per month, and office supply is also reported in total NLA. This standard ensures consistency and clarity when comparing rental rates and available space across different submarkets.

GLOSSARY OF TERMS

Term	Explanation
NLA	Net Leasable Area
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
HCMC	Ho Chi Minh City
IFC	International Financial Centre
CBD	Central Business District

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