Vietnam International Financial Center – Ho Chi Minh City

New Era of Development

Q2 2026	Vietnam International Financial Center – Ho Chi Minh City (VIFC–HCMC): Enhancing Vietnam's position on the global real estate map.	knightfrank.com/research

The VIFC-HCMC will play an important role in attracting international capital, facilitating investment in priority sectors, and strengthening the country's position within regional and global value chains.

OVERVIEW

According to Decree No. 323/2025/ND-CP dated 18 December 2025, the Vietnam International Financial Center (VIFC) was officially established, positioning Vietnam as an emerging regional financial hub. Adopting a "One Center – Two Destinations" model, the strategy anchors Ho Chi Minh City (HCMC) as the primary financial gateway, while Da Nang serves as a specialized financial and logistics hub—creating complementary growth and minimizing inter-city competition.

HCMC is set to become a gateway for higher-value capital flows across equities, asset management and other financial services. Meanwhile, Da Nang will target niche markets, leveraging its advantages in seaports, airports, the East – West corridor, and coastal industries.

The establishment of VIFC–HCMC represents a natural and necessary next step in Vietnam's ongoing industrialisation and modernisation. As the economy transitions towards high-value, technology-driven industries, the need for sophisticated capital-raising channels, efficient capital allocation mechanisms, risk management solutions and advanced financial services becomes increasingly critical.

The VIFC–HCMC will serve as a strategic financial infrastructure platform, facilitating the mobilisation and allocation of resources for the next generation of productive assets. This is particularly important for priority sectors such as semiconductor and chip manufacturing, high-tech industries, green finance, and other industries that rely on high-value machinery and equipment.

By connecting domestic and international capital markets, the VIFC–HCMC will strengthen Vietnam's investment ecosystem, enhance capital formation, and attract large-scale strategic investments. In turn, this will accelerate Vietnam's integration into global value chains and reinforce its ambition to become a leading high-tech manufacturing hub in Southeast Asia.

Table 1: Global Financial Centers Index (GFCI 39)

Rank	Centre	Rating	Status	Change in rank	Prime Office Net Rent
1	New York	767	Global Leader	+ 0	US$76/sqm/month
2	London	766	Global Leader	+ 0	US$122/sqm/month
3	Hong Kong	765	Global Leader	+ 0	US$143/sqm/month
4	Singapore	764	Global & SEA Leader	+ 0	US$114/sqm/month
5	San Francisco	744	Global Leader	+ 0	US$70/sqm/month
6	Shanghai	743	Global Leader	+ 2	US$43/sqm/month
7	Dubai	742	Global Leader	+ 4	US$98/sqm/month
84	**Ho Chi Minh City**	665	-	**+11**	**US$59/sqm/month**

Sources: The Global Financial Centers Index 39, Knight Frank Research.
Note: Net asking rents are inclusive of service charges, but exclusive of VAT and as of Q1 2026.

898 ha
Total VIFC – HCMC master-planned land area

9.2 ha
Phase 1 core zone (Thu Thiem)

US$9 billion
Registered capital as of Mar 2026

13
Founding and strategic members

500+
Registered member companies

Sources: VIFC – HCMC, Knight Frank Vietnam Research

Table 2: Investor Incentives & Policy Support

Tax Incentives

Corporate Income Tax (CIT)		Personal Income Tax (PIT)	
Priority Sectors	10% CIT for 30 years; up to 4 years full exemption + 50% reduction for 9 subsequent years	**Salary & wages**	Full PIT exemption for managers, experts, scientists & highly skilled professionals (Vietnamese & foreign) until end-2030
Non-priority sectors	15% CIT for 15 years; up to 2 years full exemption + 50% reduction for 4 subsequent years	**Capital gains**	PIT exemption on transfer of shares / capital contributions in IFC members until end-2030

Other Key Incentives & Policy Support

Import Duty Exemption for technology equipment, software, and goods not produced domestically that are imported for the development of IFC IT infrastructure and other fixed assets.	**Land Lease** Long-term land use rights up to 70 years for IFC investors (vs. standard 50-year maximum)	**Visa & Residency** Decree 327: key investors, experts & skilled workers eligible for visas up to 10 years; with fast-track entry and exit procedures.
Cross-border FX Greater flexibility for cross-border transactions; IFC members may conduct outbound investment with Executive Authority approval	**Investment Procedure** IFC members are exempt from Investment Registration Certificate procedures; streamlined licensing for priority sectors	**Regulatory Sandbox** Controlled testing for fintech, digital assets & innovative financial services (Da Nang hub; HCMC derivatives exchange)

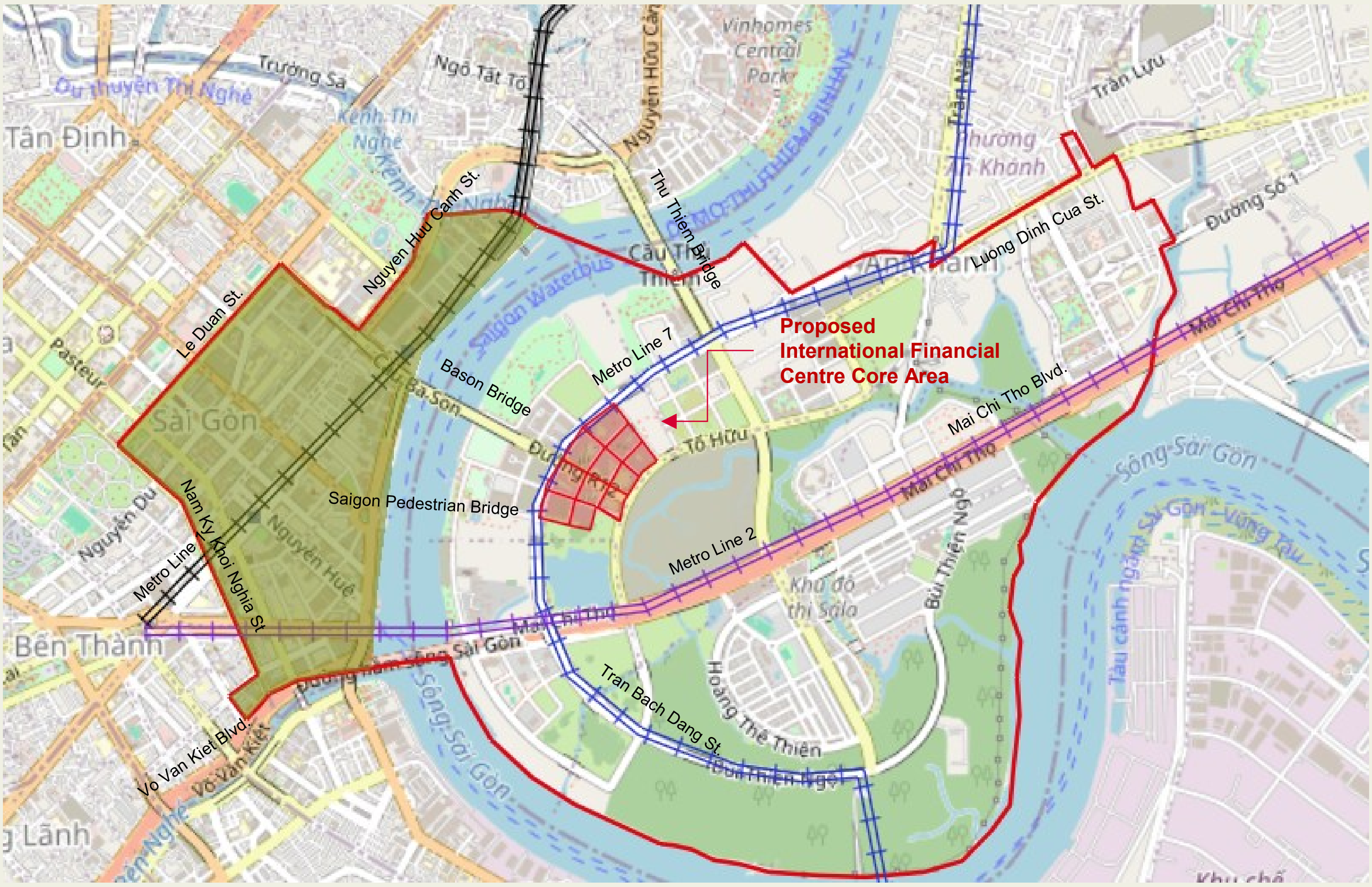
IFC Membership

Members are required to establish their headquarters in the International Financial Center and must maintain their headquarters there throughout their operations. A formal membership registration is required for investors operating within the IFC, except for the following:

- Financial institutions, investment funds, or enterprises listed in the Fortune Global 500
- Top 10 Vietnamese financial institutions by charter capital
- Foreign banks and Vietnamese commercial banks

Note: Tax incentives per Decree No. 324/2025/ND-CP (18 Dec 2025) implementing Resolution No.222/2025/QH15.
Sources: EY Vietnam, KPMG Vietnam, Baker McKenzie, Decrees No. 323/324/327/330, Knight Frank Vietnam Research

Fig 1: VIFC – HCMC Location & Boundary



Note: Boundaries shown are indicative and subject to planning and implementation
Source: VIFC – HCMC concept materials, Knight Frank Vietnam Research

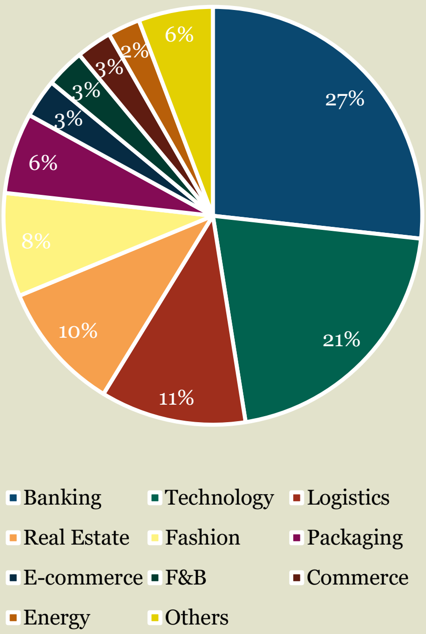
OFFICE MARKET

In the coming years, the development of the IFC is expected to serve as a major catalyst for HCMC's office market.

In Q1 2026, the VIFC–HCMC area accounted for approximately 438,000 sq m of Grade A office space, making up nearly 90% of the city's premium office stock, reinforcing its role as the core business and financial district.

Between 2020 and 2025, all newly-completed Grade A office developments were located within the VIFC–HCMC area, including prominent projects such as The Nexus, Riverfront Financial Centre and Saigon Marina IFC in District 1, as well as The Mett and The Hallmark in Thu Thiem.

Fig 2: Major transactions by Industry



Note: The figures are based on leasing transactions within the VIFC–HCMC area recorded by Knight Frank Vietnam from Q3 2025 to Q1 2026, covering the period following the announcement of the IFC. Percentages reflect occupied floor area.

Source: Knight Frank Vietnam Research

Moreover, 12 out of the 16 office buildings within the VIFC–HCMC area have obtained green building certifications, aligning with the growing flight-to-quality trend among multinational occupiers. Notably, technology, banking, financial services, and insurance firms have been among the most active occupier groups, recording average transaction sizes of between 1,000 sq m and 3,000 sq m, with some transactions exceeding 10,000 sq m. The continued expansion of these industries, alongside increasing international capital flows into the VIFC–HCMC, is expected to remain a key driver of office demand in HCMC.

The IFC represents a transformational opportunity for Vietnam. By attracting global capital, institutions and talent, it will not only strengthen Vietnam's financial ecosystem but also accelerate the development of a world-class real estate market, creating long-term value for the city and the country.

Supported by prime locations, Grade A office buildings within the VIFC–HCMC area command average rents of US$62 per sq m per month*, nearly double the rental levels recorded in comparable Grade A buildings outside the IFC area.

By 2030, premium office supply within the VIFC–HCMC area is projected to expand by approximately 290,000 sq m, driven by the revival of several long-delayed landmark developments across the CBD. This incoming pipeline is expected to significantly reshape HCMC's prime office landscape.

RETAIL MARKET

HCMC's CBD remains the leading destination for prime retail, underpinned by robust leasing demand from international luxury and fashion brands. As of Q1 2026, vacancy rates across prime CBD malls remain below 5%, reflecting strong occupier demand and limited availability.

Constrained supply continues to support high prime ground-floor retail rents, ranging from US$150 to US$300 per sq m per month, around 1.5x higher than non-prime assets.

Over the next five years, the VIFC–HCMC area is expected to dominate new retail supply, adding approximately 95,000 sq m through key developments including Saigon Centre Phase 3 and Lotte Eco Smart City.

HOSPITALITY MARKET

In the five-star hotel segment, more than 70% of existing supply is concentrated in District 1, with the remainder located along the corridor connecting the city centre with Tan Son Nhat International Airport.

Despite its long-standing appeal as a preferred residential location for expatriates, the supply of upscale hotels in Thu Thiem and District 2 remains limited.

With the development of the VIFC–HCMC as a new commercial and financial hub, the area is expected to attract growing interest from global hotel operators.

This is likely to accelerate the entry of luxury and ultra-luxury hospitality brands, elevating Thu Thiem's profile as a high-end mixed-use and business destination in HCMC.

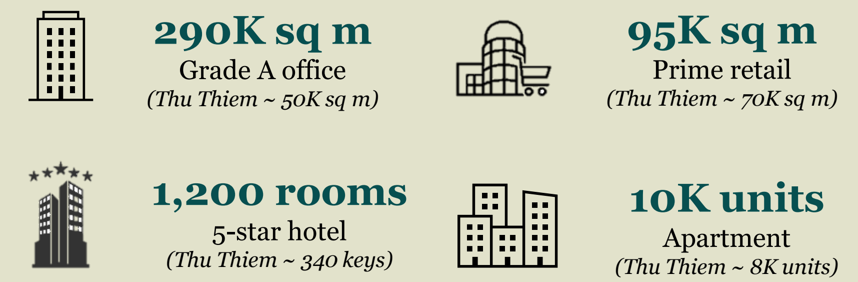
RESIDENTIAL MARKET

The establishment of the VIFC–HCMC is also expected to act as a key catalyst for HCMC's residential property market, particularly in the luxury and ultra-luxury segments.

Benefiting from strategic locations within the core VIFC–HCMC area, landmark developments have set new benchmarks for prime residential pricing, achieving record levels exceeding US$16,000 per sq m. This underscores Vietnam's growing prominence as an emerging destination in the global luxury residential market.

The increasing presence of high-net-worth individuals, senior executives and international professionals in HCMC, alongside ongoing infrastructure enhancements, is expected to drive sustained demand for premium residential developments and high-quality urban living environments.

Fig 3: Future supply in the VIFC–HCMC by 2030



Source: Knight Frank Vietnam Research

Note: (*) The prime office rent mentioned for IFC area reflects CBD and Thu Thiem submarkets. Asking rents are inclusive of service charges, but exclusive of VAT

CAPITAL MARKETS AND INDUSTRIAL GROWTH

> **The IFC could position HCMC as a leading ASEAN hub for technology asset finance, helping to channel capital into advanced manufacturing, digital infrastructure and innovation-driven industries, and ultimately supporting Vietnam's transition towards a higher-value economy and elevate the sophistication of the real estate market.**

The establishment of the IFC in HCMC is set to transform Vietnam's real estate and capital markets by introducing more sophisticated financial instruments and a regulatory framework that broadens access to long-term institutional capital.

Opportunities lie in the development of Real Estate Investment Trusts (REITs), asset-backed securities and other securitised products. These can channel both domestic and international capital into income-generating real estate, while enhancing market liquidity and transparency. Although a legal framework for real estate funds exists, limited market adoption highlights the need for further regulatory and tax enhancements.

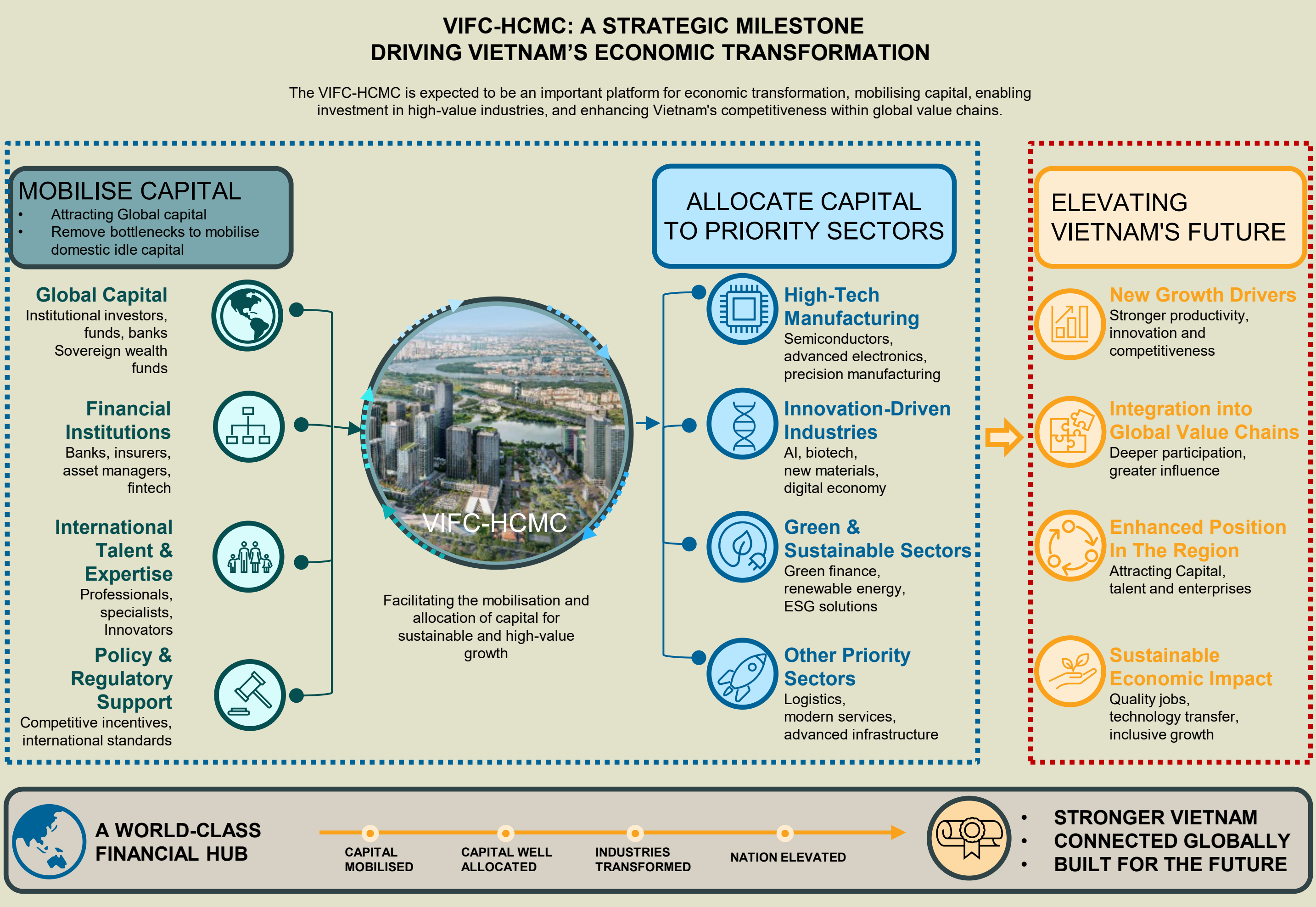
Beyond foreign investment, the VIFC–HCMC has the potential to unlock substantial domestic capital pools, particularly from insurance companies and other institutional investors seeking stable, yield-generating assets. By converting illiquid real estate into tradable securities, the VIFC–HCMC can improve capital allocation efficiency, reduce reliance on short-term bank financing, and support the maturation of Vietnam's capital markets. With enhanced frameworks for cross-border transactions and investor protection, the VIFC–HCMC is expected to strengthen confidence and attract global institutional capital into Vietnam's growth sectors. This extends beyond real estate, supporting capital-intensive industries such as semiconductors, advanced electronics, artificial intelligence, aviation and green technologies.

Through specialised funds, infrastructure REITs, project bonds and securitised financing, the enhanced frameworks for cross-border transactions and investor protection, the VIFC–HCMC can mobilise capital for high-value assets and large-scale developments that traditional banking systems may not efficiently fund.

As Vietnam emerges as a key destination for semiconductor investment, supported by major projects from global players such as Amkor Technology and Samsung Electronics, the ability to mobilise large-scale capital will be critical. The IFC positions HCMC as a potential ASEAN hub for technology asset finance, specialising in funding advanced manufacturing, digital infrastructure and other innovation-led industries.

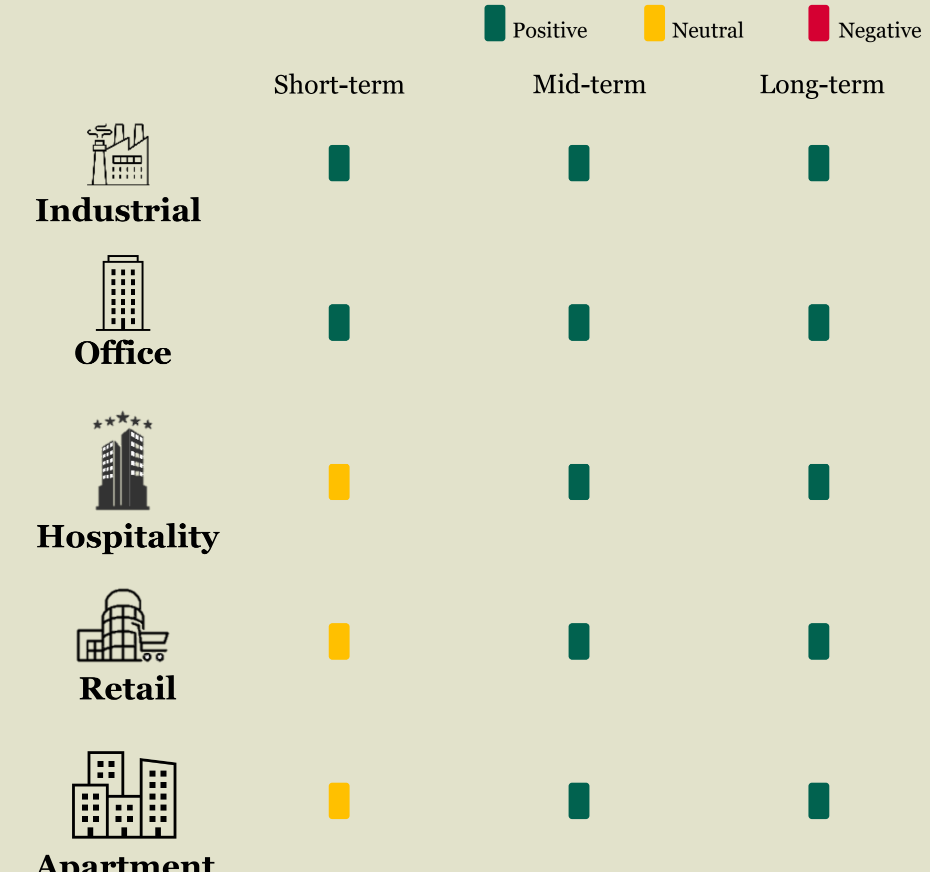
Ultimately, by integrating capital markets with real estate and high-tech sectors, the VIFC–HCMC will play a pivotal role in advancing Vietnam's transition towards a more innovation-driven, technology-intensive and sustainable economic growth model.

Fig 4: The Central Role of the VIFC-HCMC



Source: Knight Frank Vietnam Research

Fig 5: The Right Path for the IFC and Future Real Estate Growth



Source: Knight Frank Vietnam Research

Table 3: Regulatory framework

No.	Document	Effective Date	Brief information
1	Resolution No. 222/2025/QH15	01 Sep 2025	Establishment of the Vietnam International Financial Center
2	Decree No. 323/2025/ND-CP	18 Dec 2025	Establishment of International Financial Center in Vietnam
3	Decree No. 324/2025/NĐ-CP	18 Dec 2025	Financial Policies in the International Financial Center in Vietnam
4	Decree No. 329/2025/ND-CP	18 Dec 2025	Licensing for establishment and operation of banks, foreign exchange management, anti-money laundering, counter-terrorist financing, and prevention of financing of proliferation of weapons of mass destruction at the International Financial Center
5	Decree No. 327/2025/ND-CP	18 Dec 2025	Entry, exit, and residence policies applicable to foreign nationals at the International Financial Center in Vietnam
6	Decree No. 330/2025/ND-CP	18 Dec 2025	Establishment and operation of Commodity Exchanges at the International Financial Center in Vietnam
7	Decree No. 325/2025/ND-CP	18 Dec 2025	Labor, employment, and social security policies applicable to the International Financial Center in Vietnam
8	Decree No. 326/2025/ND-CP	18 Dec 2025	Land and environmental management applicable to the International Financial Center in Vietnam
9	Decree No. 328/2025/ND-CP	18 Dec 2025	International Arbitration Center under the International Financial Center in Vietnam
10	Law No. 150/2025/QH15	01 Jan 2026	Specialized Court at the International Financial Center

Sources: VIFC – HCMC, Knight Frank Vietnam Research

CONCLUSION

To date, the Government has introduced a comprehensive framework, including one resolution, eight key decrees and one law to support the establishment of the IFC in Vietnam, providing a strong legal and institutional foundation for its long-term development. These measures underscore Vietnam's commitment to positioning itself as a competitive destination for global capital, financial services and high-value industries. In particular, proposed tax incentives and supporting mechanisms are expected to enhance the country's attractiveness to international investors and financial institutions, with further clarity anticipated as the regulatory framework continues to evolve.

Experience from established international financial centers such as Hong Kong, Singapore and Dubai highlights how sustained success depends not only on incentive structures, but also on a robust regulatory environment, strong governance and the availability of highly skilled talent. As such, Vietnam's IFC will need to continuously align with international best practices to build credibility, attract global participants and ensure long-term, sustainable growth.

The IFC's impact is expected to support HCMC's next phase of urban development by attracting financial institutions, professional services firms, and high-income talent to the CBD–Thu Thiem corridor. This is likely to strengthen demand for Grade A office space, prime retail, hospitality, and luxury residential assets, while reinforcing the city's ambition to emerge as a leading financial and business hub in Asia.

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

INDUSTRIAL ENQUIRIES

Hai Nguyen
Head of Industrial Agency
+84 90 7427 623
hai.nguyen@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

Knight Frank Vietnam Research delivers strategic advisory, real estate consultancy and market intelligence across Vietnam's dynamic property market. We provide independent, data-driven insights tailored to specific investment objectives, to support a diverse client base including developers, investors, financial institutions, corporates and public sector stakeholders.

Our consultancy team brings extensive experience in delivering high-quality services, including valuation advisory, market research, feasibility studies, development advisory, product positioning, commercial due diligence and investment consulting across both Vietnam and global markets.

We recognise that successful outcomes require more than market expertise. Our approach combines deep local knowledge with global best practices, enabling us to understand your vision and support your long-term investment strategy. Through a collaborative and client-focused approach, we deliver bespoke, reliable and market-aligned solutions that drive informed decision-making and sustainable value creation.

RECENT MARKET-LEADING RESEARCH PUBLICATIONS

The Wealth Report 2026

Vietnam Market Report
Q1 2026

Knight Frank Research Reports are available at
KnightFrank.com/Research

DEFINITION

Vietnam's apartment market is divided into five segments based on Net Floor Area (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.

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

- **Short-term** (from 1 to 5 years)
- **Mid-term** (from 5 to 10 years)
- **Long-term** (more than 10 years)