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SAVILLS REPORTS ON DONG NAI REAL ESTATE MARKET 1H/2015 RESIDENTIAL MARKET

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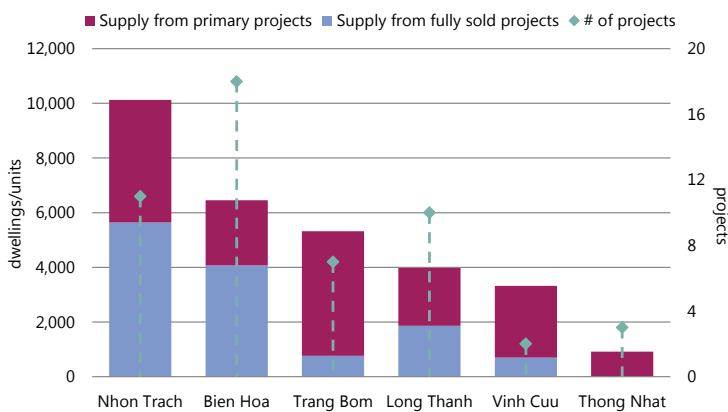
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Supply

At H1/2015, Dong Nai had 51 residential projects supplying more than 30,100 dwellings. The land plot segment dominated with 93% market share. The villa/townhouse segment ranked second with a 5% market share; followed by apartments with only two per cent.

Residential projects are concentrated mainly in districts adjacent to HCMC and Binh Duong, including Nhon Trach, Bien Hoa, Trang Bom, Long Thanh, Vinh Cuu and Thong Nhat. Nhon Trach had a 34% market share, whilst Bien Hoa ranked first in terms of volume with 18 projects.

Figure 1
Stock by district, Q2/2015



Source: Savills Research & Consultancy

Performance

Land plots have the greatest transaction volume, a minority of buyers purchase villas/ townhouses and apartments for second homes or future residences.

Savills Vietnam

Savills Vietnam is the largest and most experienced real estate practice with offices in Hanoi and Ho Chi Minh City. The company provides comprehensive property services such as: Residential Sales, Commercial Leasing, Residential Leasing, Research & Consultancy, Valuation & Feasibility Study, Banking & Corporate Services, Investment Brokerage & Advisory, Retail Consultancy & Leasing, Property & Asset Management, Tenant Advisory & Representation, Industrial Consultancy & Leasing, Marketing & Creative services. Savills Vietnam has won the Asia Pacific Property Awards 2014 for “**Best Real Estate Agency in Vietnam**”, “**Best Lettings Agency in Vietnam**” and “**Best Property Consultancy in Vietnam**”. Moreover, in International Property Awards scope, Savills has been awarded “**Best Lettings Agency in Asia Pacific**” and “**Best Real Estate Agency in Asia Pacific**”. 2015 is a milestone for Savills Vietnam when the company celebrates its 20 years of operations and growth with the Vietnam market. Currently, Savills Vietnam consists of over 1,000 experienced and professional staff nationwide.

As of Q2/2015, approximately 87% of the total launched plots in eighteen active land plot projects have been sold. Popular prices range from VND2.3 million/m² to VND6.3 million/m² land area.

The accumulated sales of eight active villa/townhouse projects in Dong Nai accounted for 87% of the total dwellings launched. The average price was VND14 million/m² land area.

There were two active apartment projects in Bien Hoa with prices from VND14.9 to 18.2 million/m² GFA.

Demand

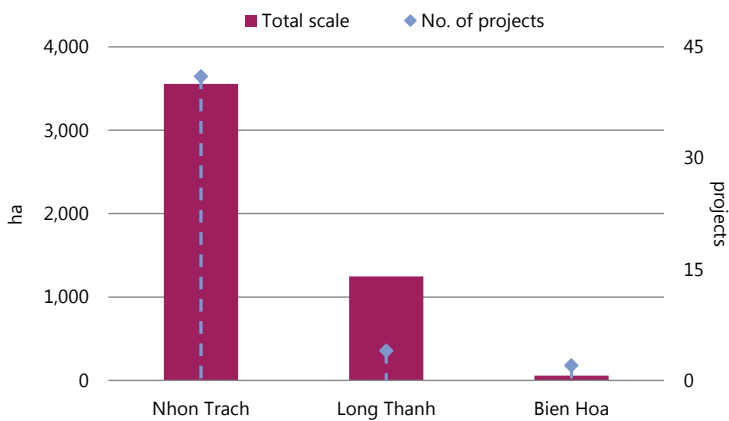
The annual population growth rate in Dong Nai was 2.6% during 2010 – 2014.

Investors drive the residential market in Dong Nai. They prefer land plots; especially those with affordable price and Redbooks/ land ownership certification. In the longer term, the completion of key transportation systems and the development of future social facilities should attract full-time residents.

Outlook

The future landed property supply consists of 47 projects with a total scale of 4,850 ha in Long Thanh, Nhon Trach and Bien Hoa. Most are still in planning or site clearance.

Figure 2
Estimated future supply



Source: Savills Research & Consultancy

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