

Residential Snapshot Q4 2016

Hanoi, Vietnam



HANOI APARTMENT

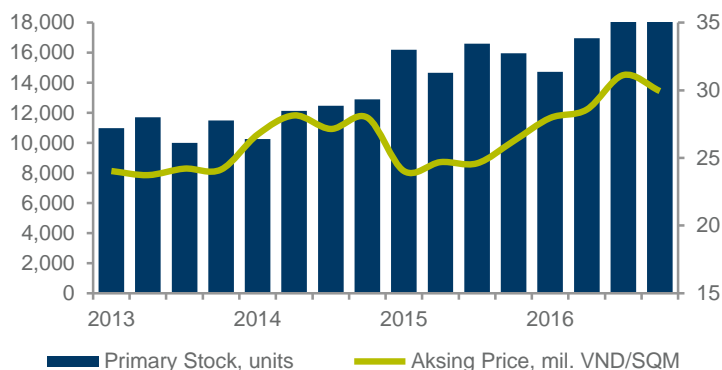
Economic Indicators

	2015	2016	12-Month Forecast
GDP Growth (%)	6.68	6.21	▼
CPI (%)	0.63	2.66	▲
Inward FDI (billion US\$)	22.76	24.37	▲

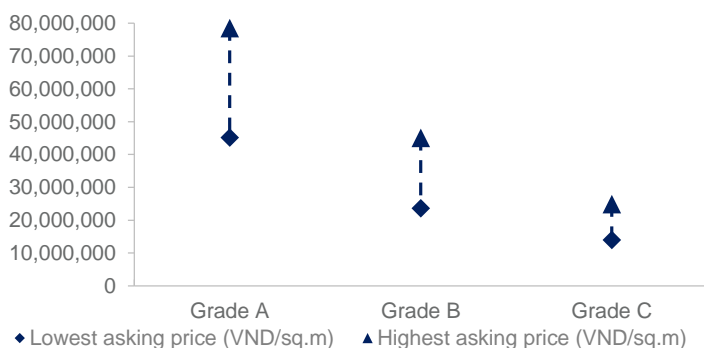
Market Indicators

	Q4 15	Q4 16	12-Month Forecast
Primary supply (units)	15,950	19,680	▲
Overall Absorption Rate (%)	45.0	35.0	▼
Overall Average Price (mil. VND/sq.m)	26.3	29.9	▲

Overall Primary Supply / Prices



Prices of All Segments



* ALL PRICES ARE VAT EXCLUDED

Economy

Despite difficulties in agricultural production caused by natural disasters and falling industrial growth, as well as certain impacts from the unstable global economy and politics, Vietnam's GDP for 2016 was still recorded an acceptable growth at around 6.2%; while inflation was still well under control at 2.66%. Vietnam also recorded trade surplus of around \$2.6 billion, an improvement over the trade deficit of around \$3.5 billion in 2015.

Total inward FDI into Vietnam (both newly registered and adjusted capital) reached US\$24.37 billion, up 7.1% y-o-y; implemented FDI was estimated to have reached US\$15.8 billion, up 9% y-o-y. The manufacturing and processing industry attracted the largest shares to comprise 64.6% of registered capital, followed by real estate with 10.1%. Korea was the leading investor, contributing 36.3% of total new investment.

Market Overview

Approximately 7,600 units were additionally launched from both new and active projects this quarter. As of Q4 2016, there are nearly 19,700 available units for sale across all grades in the primary market, up 1% q-o-q and 23% y-o-y. Grade B and Grade C dominated the market with 47% and 40% shares respectively. Districts to the West and the South contributed more than 70% of primary supply.

Market performance showed an improvement on quarter, but less active than last year. Total transactions increased by 14% q-o-q but down 4% y-o-y, largely constituted by Grade C (40%) and Grade B (39%). Tu Liem District held the largest share of 24% of total sales volume, followed by Ha Dong and Hoang Mai Districts, each with around 11% - 12%.

Price level across all grades recorded a slight decrease, mainly due to lower prices of new projects. Grade A's price registered at VND62.8 million per square meter (/sq.m) (US\$2,759/sq.m), down 3% q-o-q but up 21% y-o-y, and Grade C's reduced by 2% q-o-q but up 10% y-o-y, standing at VND18.7 million/sq.m (US\$823/sq.m), whilst Grade B's decreased by 1% q-o-q and 3% y-o-y to VND30.1 million/sq.m (US\$1,323/sq.m).

Outlook

Market sentiment is expected to remain positive in the upcoming period in terms of both future supply and sales performance. Western and Southern districts will continue to lead the market with huge supply. As aware of possible oversupply of the high-end segment, many developers are committed to provide affordable products to meet real demand.

MARKETBEAT

Residential Snapshot Q4 2016

Hanoi, Vietnam



SUMMARY BY GRADE	TOTAL PROJECTS	INVENTORY	NET ABSORPTION	AVERAGE PRICE LEVEL* (mil VND/SQM)
Grade A	9	2,610	54%	62.8
Grade B	61	9,260	29%	30.1
Grade C	54	7,810	36%	18.7
TOTAL	124	19,680	35%	29.9

Key launched projects Q4 2016

PROPERTY	DISTRICT	GRADE	NO. OF LAUNCHED UNITS	MARKET APPROACH
D' Capitale	Cau Giay	A	480	Added
Sun Grand City	Tay Ho	A	519	New launch
Vinhomes Gardenia	Tu Liem	B	247	Added
The Link 3, 4, 5	Tay Ho	B	104	Added
Imperial Plaza	Thanh Xuan	B	462	New launch
Sunshine Garden	Hai Ba Trung	B	204	New launch
Boss Tower	Ha Dong	C	229	Added
Gelexia Garden	Hoang Mai	C	372	New launch
Eco City Long Bien	Long Bien	C	221	New launch
Anland Complex	Ha Dong	C	144	New launch

Key future projects Q4 2016

PROPERTY	LOCATION	EST. TOTAL UNITS	CONSTRUCTION STATUS	EXPECTED LAUNCH
Vinhomes SkyLake	Tu Liem	1,812	Foundation	2017
Green Life Complex	Hoang Mai	902	Foundation	2017
FLC Green Home	Tu Liem	500	Foundation	2017
Sunshine Center	Tu Liem	434	Foundation	2017

About Cushman & Wakefield

Cushman & Wakefield is a global leader in commercial real estate services, helping clients transform the way people work, shop, and live. The firm's 43,000 employees in more than 60 countries provide deep local and global insights that create significant value for occupiers and investors around the world. Cushman & Wakefield is among the largest commercial real estate services firms in the world with revenues of \$5 billion across core services of agency leasing, asset services, capital markets, facilities services (branded C&W Services), global occupier services, investment management (branded DTZ Investors), tenant representation and valuations & advisory. To learn more, visit www.cushmanwakefield.com or follow @Cushwake on Twitter.

Phuoc Vo

Director
 Valuations & Research
 Room 16, Level 14, Vincom Centre
 72 Le Thanh Ton, District 1, HCMC
 Tel: +84 8 3823 7968
 Fax: +84 8 3823 7969
phuoc.vo@Cushwake.com