

Briefing Apartment sector

Q3/2015

→ Supply

In Q3/2015, Ha Noi's total apartment supply was 134,500 units from 203 fully sold and 96 active projects.

The total primary stock was 15,000 units, increasing 11.9% quarter-on-quarter (QoQ) and 50% year-on-year (YoY). There were 22 existing and 13 new projects, providing 8,700 units, increasing 43% QoQ.

Performance

There were more than 6,650 units sold, transactions up by 44% QoQ. Absorption increased 11 ppts QoQ to 45 percent.

The primary price increased by 6.1% QoQ, due to the majority of newly launched projects being Grade B.

The primary price was often adjusted higher in following sales launch due to construction progress and a stronger market. The average secondary asking price decreased -2.3% QoQ.

Demand

Projects with good standards, dependable developers and sufficient facilities have been popular.

According to General Statistics Office, credit growth increased by 10.78% compared with the end of 2014. This is the highest growth rate since 2011. Credit growth is the main financial source for both end-users and developers.

Outlook

By the end of 2015, 12 projects supplying 3,900 units are expected to come online.

In 2016, there will be 24,000 units from 43 projects in 15 districts of Hanoi.

In Q4/2015, sales may remain at a high level due to increasing cash flow from overseas remittances, credit balance in real estate and year-end housing ownership preference. ■

FIGURE 1
Current stock, Q3/2015

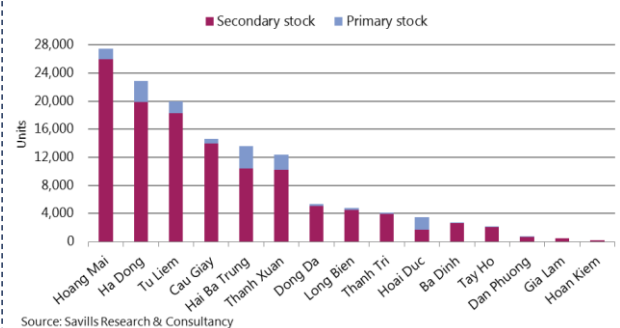
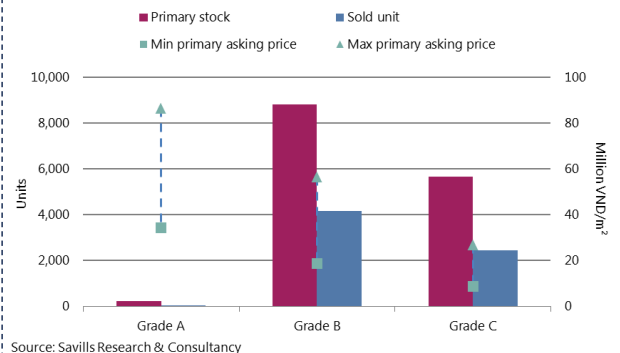


FIGURE 2
Market performance, Q3/2015



Savills Research team

Please contact us for further information



Troy Griffiths
Deputy Managing Director
+84 8 3823 9205 ext. 178
TGriffiths@savills.com.vn



Do Thu Hang
Head of Research & Consultancy
+84 4 3946 1300 ext.178
DThuHang@savills.com.vn

Savills plc

Savills is a leading global real estate service provider listed on the London Stock Exchange. The company established in 1855, has a rich heritage with unrivalled growth. It is a company that leads rather than follows, and now has over 600 offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

This report is for general informative purposes only. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent. Whilst every effort has been made to ensure its accuracy, Savills accepts no liability whatsoever for any direct or consequential loss arising from its use. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills Research.