

Briefing Villa/Townhouse sector

Q2/2015

Supply

Three new villa/townhouse projects and the next phase of an existing project provided more than 470 dwellings to the primary market.

As of Q2/2015, the primary stock of the villa/townhouse segment was approximately 1,140 dwellings, an increase of 3% quarter-on-quarter (QoQ) and 216% year-on-year (YoY).

In the land plot segment, one new project and the next phase of an existing land plot project entered the market, adding more than 60 plots. The primary land plot market had approximately 760 plots, down -43% QoQ and -32% YoY.

Go Vap continued to be the largest supplier for the villa/townhouse market, district 9 contributed the most stock for the land plot segment.

Performance

The villa/ townhouse market performed well due to the good performance of newly launched projects. The transaction volume of the villa/townhouse segment increased by 12% QoQ and 116% YoY. Townhouses dominated sales with 82% of transactions.

The absorption rate of this segment was 35%, up 3 ppts QoQ but down sharply -16 ppts YoY.

In the land plot segment, the transaction volume decreased by -36% QoQ and -21% YoY. District 9 and Thu Duc had the best performance, accounting for approximately 70% of sales.

Demand

Purchasers are attracted to projects with premium products, a prime location and a wide range of facilities.

End-users are highly attracted to landed properties with moderate pricing and good connectivity to the city centre.

Outlook

Future stock from 2H/2015 onwards is approximately 52,500 dwellings from 137 projects.

In 2H/2015, nine projects with 1,250 dwellings are expected to enter the market. District 9 is the largest supplier, accounting for 31% market share. ■

FIGURE 1
Current stock

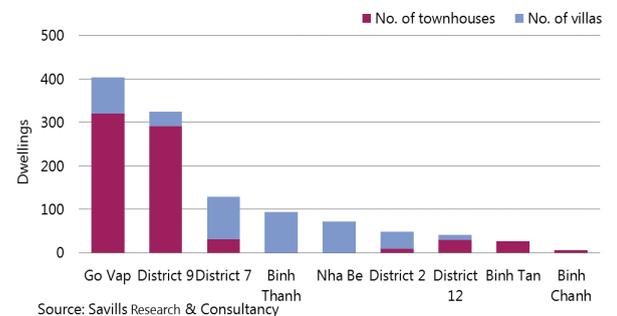
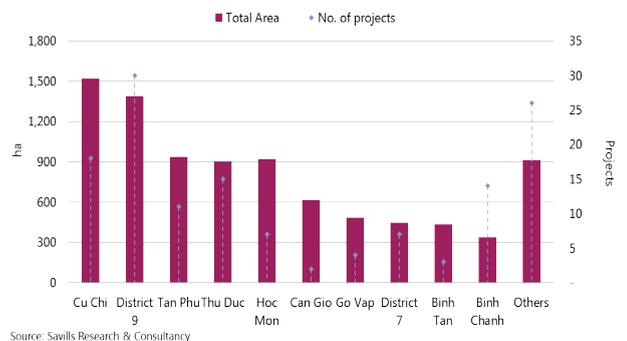


FIGURE 2
Estimated future supply



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