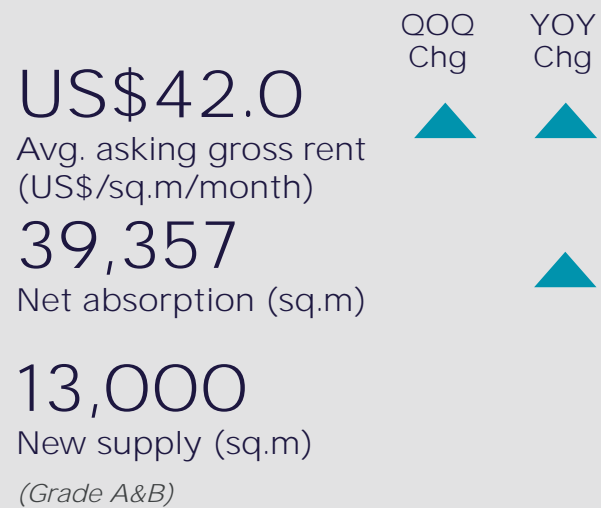




HO CHI MINH CITY OFFICE MARKET Q3 2024 MarketBeat

Better never settles

MARKET FUNDAMENTALS



ECONOMIC INDICATORS 9M 2024



Source: GSO

SUPPLY: 13,000 SQ.M OF NEW SUPPLY ENTERED TO MARKET

In Q3 2024, the HCMC market welcomed the entry of a new premium office project in the CBD area, Thaisquare The Merit building, adding nearly 13,000 sq.m to the total supply. The city's total Grade A&B office stock is above 1.6 million sq.m.

In addition to the growing trend of green and sustainable buildings, there is a rising focus on the well-being and experiences of tenants. Certifications for well-being, such as WELL and Fitwel, have gained popularity in the HCMC office market.

DEMAND: OVERALL OCCUPANCY RATE SLIGHTLY IMPROVED

Grade A occupancy was recorded at 85%, increased by 3.9 pts QoQ, and decreased by 2.3 pts YoY mainly attributed to the influx of new supply since mid-2023.

Grade B occupancy was estimated at 87.3%, which increased incrementally both QoQ and YoY as office demand remained relatively stagnant in the past quarters.

Demand mainly came from growth sectors including IT, manufacturing, banking, healthcare, etc.

PRICE: RENTS REMAINED STABLE

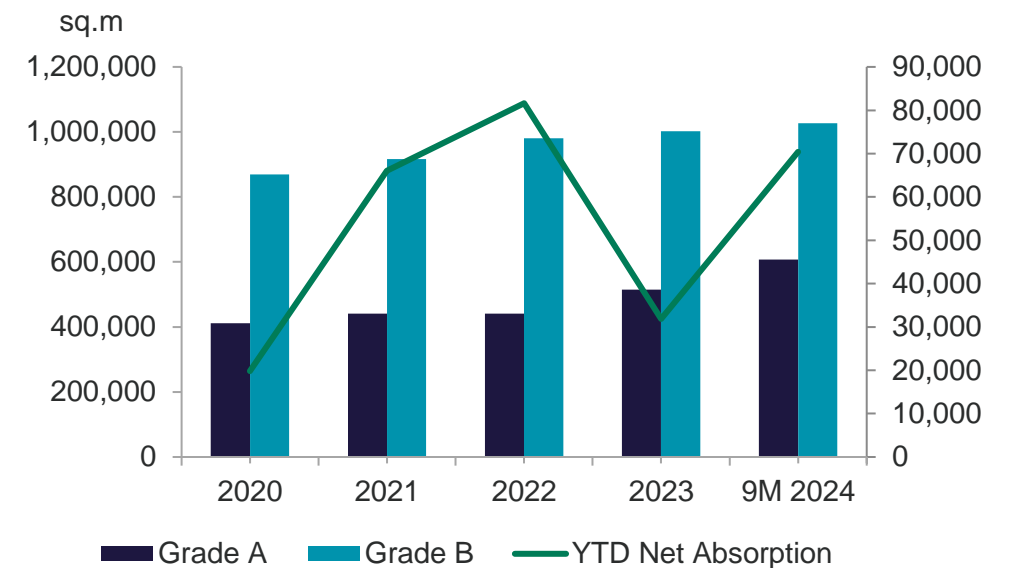
Grade A rent witnessed both QoQ and YoY stable in Q3 2024. Most landlords at Grade A projects still held their asking rental rates stable amidst heightened competition.

Grade B maintained stable QoQ but witnessed a small escalation YoY (+1.9% YoY) coming from notable rent growth from new supply.

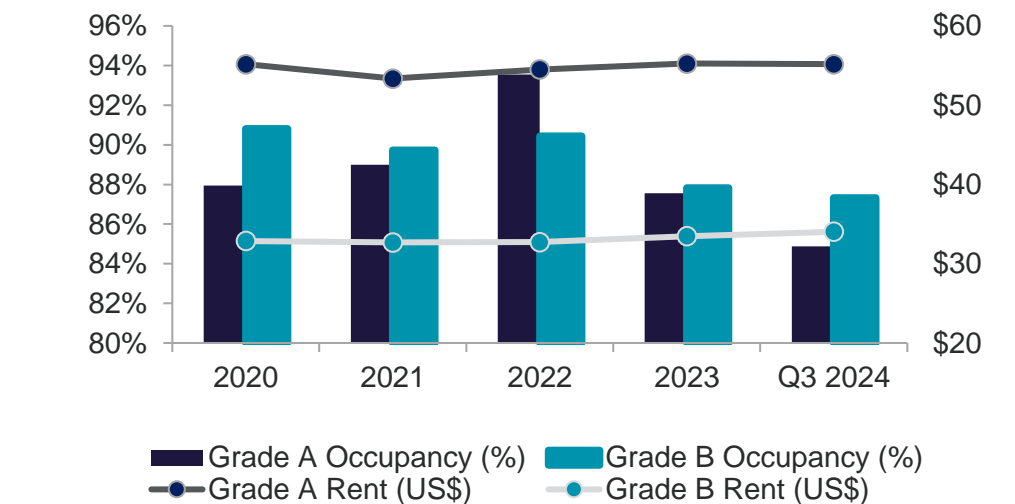
OUTLOOK: THE CBD AND THE SOUTH REMAIN THE MAJOR HUBS OF HCMC FUTURE SUPPLY

Over the next three years, the CBD and the South area are anticipated to see an influx of large-scale Grade A projects, such as Marina Central Tower (district 1), UOA Tower II (district 7), significantly enhancing the overall supply in both quantity and quality. However, this addition will also create competitive pressure on existing Grade A buildings.

TOTAL SUPPLY & NET ABSORPTION



MARKET PERFORMANCE



Source: Cushman & Wakefield
All rents are inclusive of SC but exclusive of VAT
US\$/VND = 25,100 as of Q3 2024

MARKET STATISTICS

	NEW SUPPLY (SQ.M)	NET ABSORPTION (SQ.M)	TOTAL SUPPLY (SQ.M)	OCCUPANCY RATE (%)		AVG. ASKING GROSS RENT (US\$/SQ.M/MO.)	
				Grade A	Grade B	Grade A	Grade B
YTD 2024	117,500	70,400	-	-	-	-	-
Q3 2024	12,867	39,357	1,634,700	84.9%	87.3%	55.2	34.1
QoQ	-	-	▲0.8%	▲3.9ppts	▲1.5ppt	▲0.1%	▲0.1%
YoY	-	▲49%	▲8.4%	▼2.3ppts	▲0.8ppt	▲0.6%	▲1.9%

Source: Cushman & Wakefield

All rents are inclusive of service charges and exclusive of VAT

US\$/VND = 25,100 as of Q3 2024

FUTURE SUPPLY BY SUBMARKET Q4 2024 - 2027F

SUBMARKET	NFA (sq.m)
CBD	71,611
CBD Fringe	46,778
East	97,048
South	59,022
TOTAL	274,500

NEW PROJECTS IN Q3 2024

PROPERTY	SUBMARKET	DEVELOPER	NFA (sq.m)
Thaisquare the Merit	District 1	Thaihomes	12,867

NOTABLE UPCOMING PROJECTS

PROPERTY	SUBMARKET	DEVELOPER	NFA (sq.m)	EXPECTED LAUNCHING TIME
Marina Central Tower	District 1	Masterise Homes	67,600	2025
TechnoPark	Thu Duc City	Vingroup	97,048	2025
TTC Incubation Center - C	District 7	TTC Group	14,535	2025
UOA Tower II	District 7	UOA Group	45,800	2026
Lotus Tower	District 1	Trung Viet	TBC	TBC

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Note: Provided information is subject to change/updated depending on the developer's plan in the future

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