



HO CHI MINH CITY OFFICE MARKETS Q4 2024 MarketBeat

Better never settles

MARKET FUNDAMENTALS

US\$54.55
Grade A avg. asking
gross rent (US\$/sq.m/mth)

QOQ Chg ▼
YOY Chg ▼

28,212
Net absorption (sq.m)
(Grade A&B)

QOQ Chg ▼
YOY Chg ▲

0
New supply (sq.m)
(Grade A&B)

ECONOMIC INDICATORS 2024

7.09%
GDP Growth

YOY Chg ▲

3.63%
Inflation (CPI)

YOY Chg ▲

38.23
FDI (bil. US\$)

YOY Chg ▼

Source: GSO

SUPPLY: NO NEW SUPPLY RECORDED

In Q4 2024, HCMC's office reported 1,634,726 sq.m in total supply with no new supply. Additionally, several buildings underwent or continued renovation, reflecting ongoing efforts to modernize the office stock.

DEMAND: OVERALL OCCUPANCY RATE SLIGHTLY IMPROVED

Grade A occupancy reached 87.38%, rising by 2.5 ppts QoQ but dropping slightly by 0.2 ppts YoY. The QoQ improvement reflects the gradual absorption of premium office spaces, while the YoY decline stems from market adjustments post-2023.

Grade B occupancy stood at 87.50%, showing a marginal growth of 0.2 ppts QoQ but a decrease of 0.3 ppts YoY as demand for mid-tier offices remained stable.

In 2024, demand primarily came from growth sectors such as IT, banking, manufacturing, healthcare and e-commerce, highlighting the consistent interest in flexible and modern office spaces, towards CBD, North and East sub-markets where new supply was reported.

PRICE: MINOR FLUCTUATIONS IN RENTS

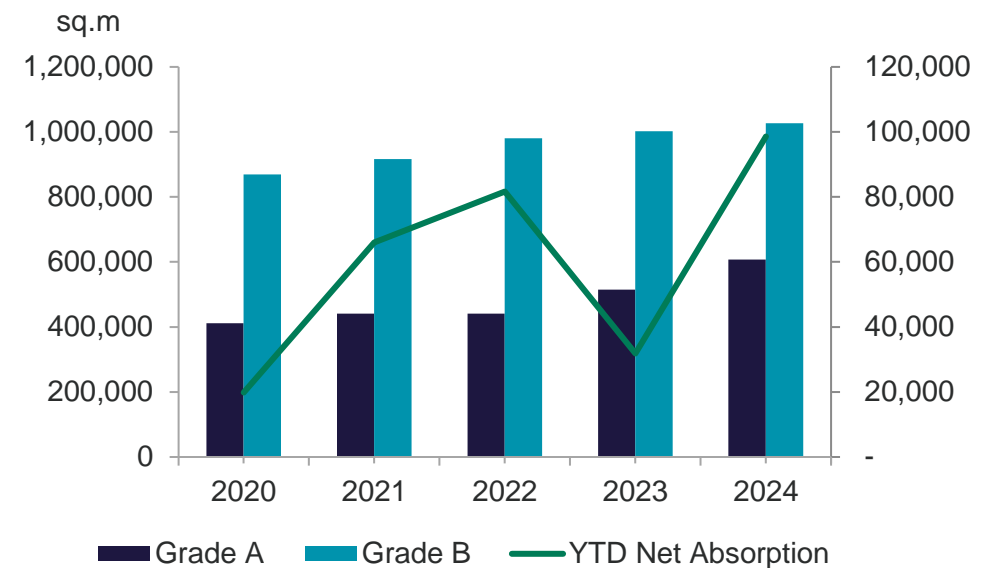
Grade A rents reflect a QoQ decline of 0.9% and a YoY drop of 1.3%. Landlords prioritised occupancy rates over aggressive rent hikes amidst heightened competition from newcomers and cautious tenant sentiment.

Grade B rents show a QoQ decline of 0.8% but a YoY increase of 0.9%. This slight annual growth was supported by sustained demand from key industries and steady absorption rates in high-performing buildings, reinforcing overall market resilience.

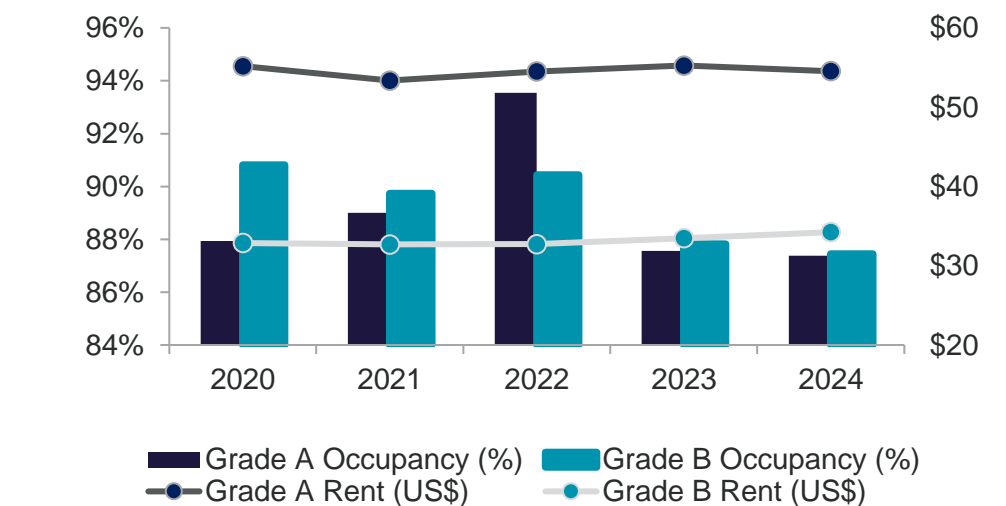
OUTLOOK: THE CBD AND THE SOUTH REMAIN MAJOR FUTURE HUBS

2025 is expected to welcome a trophy building - Marina Central Tower, complementing the breathtaking HCMC waterfront skyline and expectedly improving the Grade A average rent. Over the next 3-5 years, the CBD and the South are anticipated to see an influx of large-scale Grade A projects, significantly enhancing supply in both quantity and quality. However, this addition will also put more competitive pressure on the existing Grade A buildings. The operation of Metro Line #1 is expected to positively impact to those located around its stations.

TOTAL SUPPLY & NET ABSORPTION



MARKET PERFORMANCE



Source: Cushman & Wakefield
All rents are inclusive of SC but exclusive of VAT
US\$/VND = 25,500 as of Q4 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	70,383	1,634,726				
Q4 2024	-	28,212	1,634,726	87.38%	87.50%	54.55	33.77
QoQ	-	▼28.3%	-	▲2.5 pts	▲0.2 pts	▼0.9%	▼0.8%
YoY	▲6.58%	▲24%	▲7.74%	▼0.2 pts	▼0.3 pts	▼1.3%	▲0.9%

Source: Cushman & Wakefield

All rents are inclusive of service charges and exclusive of VAT

US\$/VND = 25,500 as of Q4 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 Q4 2024

PROPERTY	SUBMARKET	DEVELOPER	NFA (sq.m)
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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
Millennial Tower	District 7	UOA Group	45,800	2026
Lotus Tower	District 1	Trung Viet	TBC	TBC

GEOGRAPHICAL DIVISION

CBD	District 1
CBD Fringe	District 3, 4, Binh Thanh and 5
East	Thu Duc City (District 2, 9, Thu Duc)
South	7, Nha Be
North	Phu Nhuan, Tan Binh, Tan Phu, Go Vap, Hoc Mon, District 12
West	District 6, 8, 10, 11, Binh Chanh

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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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