



# NORTHERN KEY ECONOMIC ZONE INDUSTRIAL MARKETS

Q2 2025 Market Beat

Better never settles



# MARKETBEAT

# NORTHERN KEY ECONOMIC ZONE (\*)

INDUSTRIAL Q2 2025

(\*) NKEZ includes: Hanoi, Bac Ninh, Hai Phong, Hung Yen, Hai Duong, Quang Ninh, and Vinh Phuc



## INDUSTRIAL PARK (IP) LAND

### MARKET FUNDAMENTALS

	QOQ Chg	YOY Chg
69% Occupancy Rate	▲	▲
100 Net Absorption, HA	▼	▼
USD 136 Avg. Asking Rent, USD/sqm/lease term	▲	▲

### ECONOMIC INDICATORS H1 2025

	YOY Chg
7.52% GDP Growth	▲
3.27% Inflation (CPI)	▲
21.52 FDI (bil. USD)	▲
9.2% IIP	▲

Source: GSO

### SUPPLY: NEARLY 700 HA OF INDUSTRIAL LAND ENTERED THE MARKET

In Q2 2025, Northern Vietnam’s industrial park land market welcomed a new project in Hai Phong, bringing total existing stock to about 17,200 ha, up roughly 2.8% QoQ and 7.5% YoY.

### DEMAND: DEMAND REMAINS STABLE

Net absorption in Q2 2025 reached around 100 ha, a 32.43% decline from the previous quarter. Nevertheless, the occupancy rate across the region’s industrial parks held steady at 69%, reflecting stable land-use levels compared with Q1 2025. This sustained 69% occupancy underscores the continuing appeal of these parks to investors, particularly in the electronic-components and machinery-manufacturing sectors.

### PRICE: CONTINUED PRICE GROWTH

The average asking rent for industrial park land in Q2 2025 was USD 136/sqm/lease term, up 3% QoQ and 5% YoY.

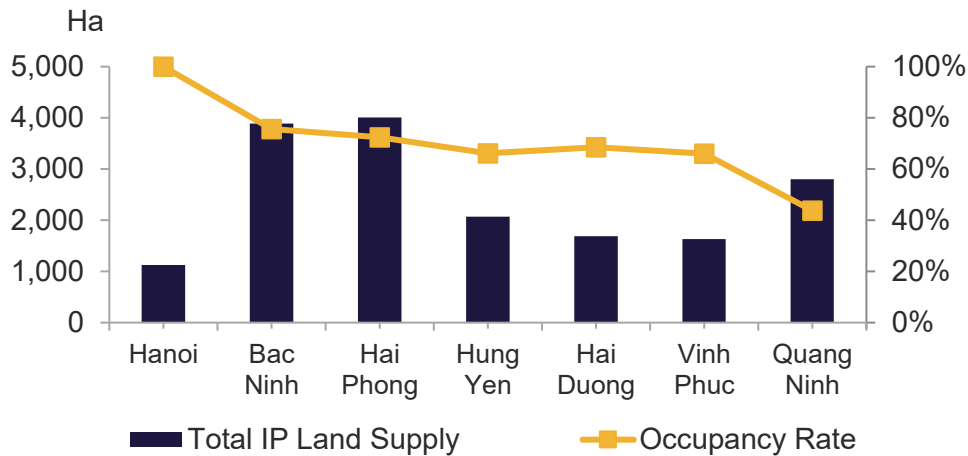
### OUTLOOK

The Northern industrial park land market is forecast to welcome an additional 7,000 ha of land between 2025 and 2028.

This expansion is being driven by major infrastructure projects—most notably the upgrade of Gia Binh Airport to a Class 4E international airport and the widening of the North–South expressway.

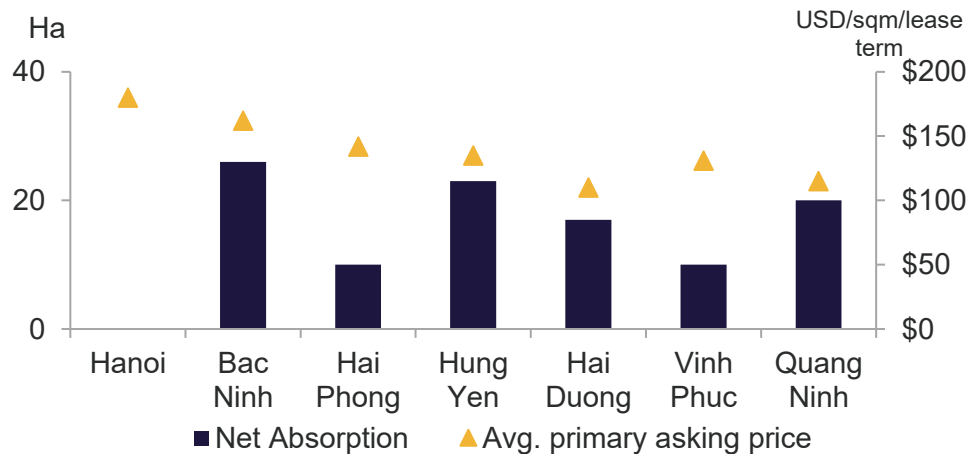
Moreover, Northern parks will benefit from rising demand for industrial park land, especially from high-tech, electronic-components, and automated-manufacturing firms. As these infrastructure projects reach completion, the North will attract not only domestic investors but also international enterprises.

### EXISTING INDUSTRIAL LAND SUPPLY, Q2 2025



Source: Cushman & Wakefield

### INDUSTRIAL LAND PERFORMANCE



Source: Cushman & Wakefield

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## NORTHERN KEY ECONOMIC ZONE (\*)

### INDUSTRIAL Q2 2025

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### READY-BUILT FACTORY (RBF)

#### MARKET FUNDAMENTALS

	QOQ Chg	YOY Chg
83%	▲	▲
Occupancy Rate		
97,000	▼	▼
Absorption Rate, sqm		
USD 5.0	▬	▲
Avg. Asking Rent, USD/sqm/month		

#### ECONOMIC INDICATORS H1 2025

	YOY Chg
7.52%	▲
GDP Growth	
3.27%	▲
Inflation (CPI)	
21.52	▲
FDI (bil. USD)	
9.2%	▲
IIP	

Source: GSO

#### SUPPLY: OVER 30,000 SQM OF NEW READY-BUILT FACTORY SPACE ENTERED THE MARKET

In Q2 2025, the ready-built factory market recorded one new project, bringing total market stock to approximately 4.46 million sqm, up 0.77% quarter-on-quarter and 20.72% year-on-year.

#### DEMAND: DEMAND DRIVEN BY SECOND-TIER PROVINCES

In Q2 2025, net absorption reached approximately 97,000 sqm, down from Q1 2025. Despite the drop in take-up, the occupancy rate climbed to 83%, demonstrating that demand for factory space remained stable and underscoring the market's appeal even amid lower absorption than in prior quarters.

Demand was chiefly driven by sectors such as electronic-components manufacturing and precision machining. In particular, many companies targeted locations offering competitive rents and robust infrastructure—such as Vinh Phuc—helping to lift that province's absorption rate.

#### PRICE: SLIGHT YEAR-ON-YEAR INCREASE

The average asking rent for ready-built factory space in Q2 2025 held at USD 5.0/sqm/month, unchanged from Q1 2025 but up 2% year-on-year.

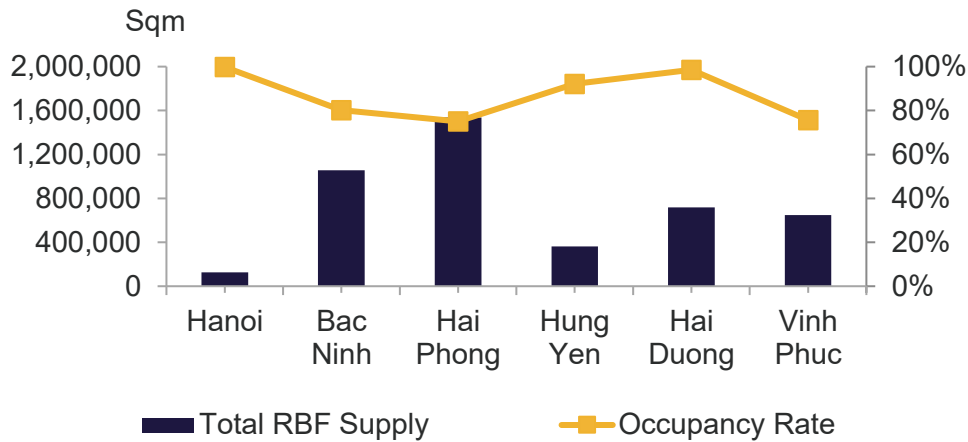
#### MARKET OUTLOOK

The ready-built factory market is forecast to grow strongly over the next three years, with approximately 900,000 sqm of additional leasable space. Major infrastructure projects, such as the expansion of expressways and the commissioning of Gia Binh International Airport, will drive robust market development, especially in Northern Vietnam.

Improvements in infrastructure will enhance the capacity for goods transportation and inter-regional connectivity, creating favourable conditions for investors in industrial parks. As road networks and the international airport reach completion, the North will become an increasingly attractive destination for enterprises.

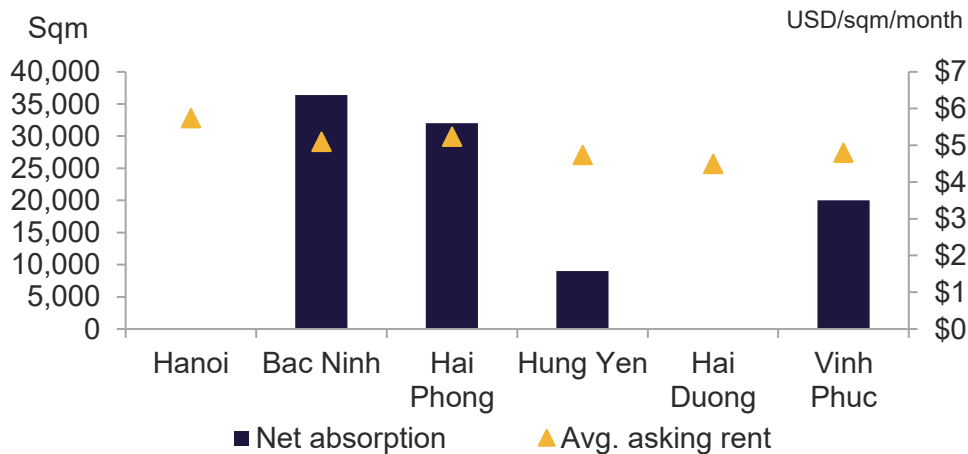
Moreover, the trend of converting standard warehouses into ready-built factories and the administrative consolidation of provinces will open up new opportunities, helping the industrial land market achieve sustainable growth in the years to come.

#### EXISTING RBF SUPPLY, Q2 2025



Source: Cushman & Wakefield

#### RBF PERFORMANCE



Source: Cushman & Wakefield

MARKETBEAT

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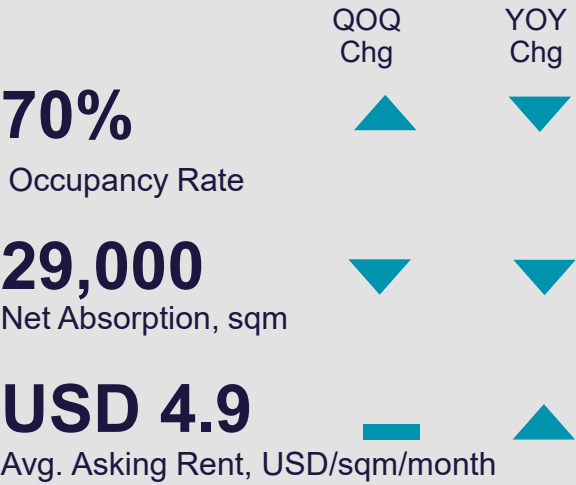
INDUSTRIAL Q2 2025

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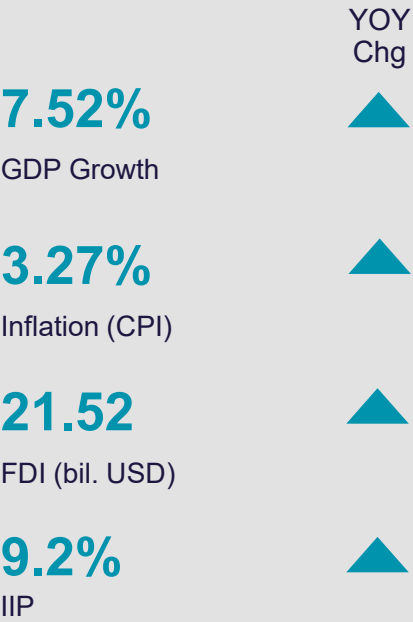
READY-BUILT WAREHOUSE (RBW) & READY-BUILT HYBRID (RBH)(\*)

MARKET FUNDAMENTALS



(\*): Including Ready-Built Hybrid (RBH)

ECONOMIC INDICATORS H1 2025



Source: GSO

SUPPLY: OVER 100,000 SQM OF NEW READY-BUILT WAREHOUSE SPACE ENTERED THE MARKET

In Q2 2025, the ready-built warehouse market recorded the addition of two new projects in Hai Phong and Hung Yen, supplying approximately 135,000 sqm of leasable space. This brought total accumulated stock of ready-built warehouses to nearly 3.1 million sqm, an increase of 4.5% from Q1 2025 and 31.77% year-on-year.

DEMAND: A DROP IN ABSORPTION BUT HIGH OCCUPANCY

Net absorption in Q2 2025 reached around 25,000 sqm, down from Q1 2025. However, the uptake rate remained strong at 70%, indicating stable demand for ready-built warehouse space in key locations.

Provinces such as Hai Phong and Bac Ninh continued to attract significant investment from electronic-components manufacturers and precision-machining firms. In addition, demand was driven by distributors and pharmaceutical companies.

PRICE: SLIGHT YEAR-ON-YEAR INCREASE

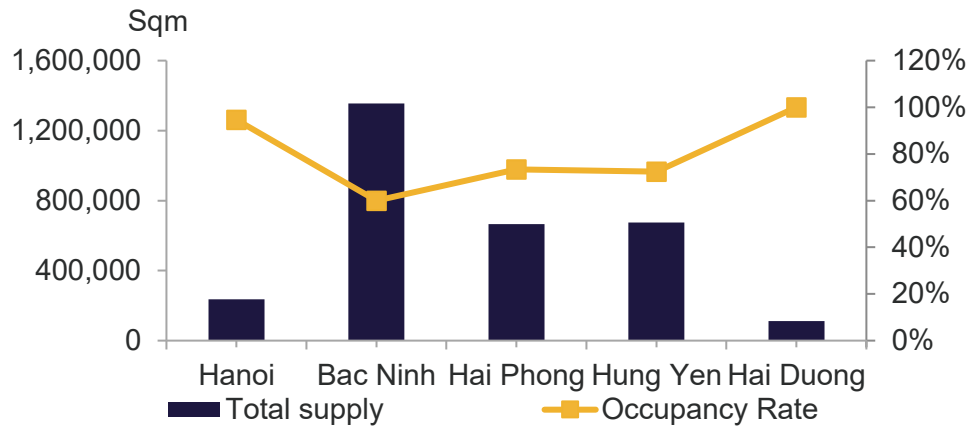
The average asking rent for ready-built warehouses in Q2 2025 held at USD 4.9/sqm/month, unchanged from Q1 2025. Nevertheless, rents recorded a modest 2% increase compared with Q2 2024.

MARKET OUTLOOK

Over the next three years, supply of ready-built warehouses (RBW) in the Northern Key Economic Region is forecast to reach approximately 800,000 sqm. This is a positive indicator for market growth, as high-quality warehouse projects are being rolled out. The additional stock will not only expand investors' choices but also support stable, sustainable development of Northern Vietnam's industrial real estate sector.

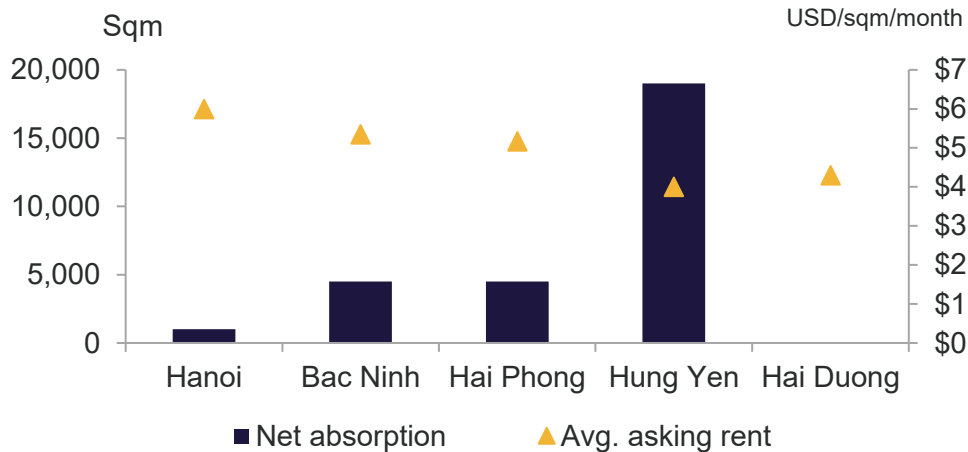
Administrative consolidation of provinces in the region will deliver further benefits to the ready-built warehouse market. Specifically, it will drive increased investment in infrastructure projects—upgrading road networks and expanding industrial parks. At the same time, streamlined administrative procedures will reduce legal barriers, creating more favourable conditions for both domestic and international investors.

EXISTING SUPPLY, Q2 2025



Source: Cushman & Wakefield

HIỆU SUẤT THỊ TRƯỜNG



Source: Cushman & Wakefield



MARKET STATISTICS

	IP LAND				READY-BUILT FACTORY (RBF)				READY-BUILT WAREHOUSE (RBW)			
	INVENTORY (HA)	OCCUPANCY RATE	QTR NET ABSORPTION (HA)	AVG PRIMARY ASKING RENT (USD/sqm/lease term)	INVENTORY (SQM)	OCCUPANCY RATE	QTR NET ABSORPTION (SQM)	AVG ASKING RENT (USD/sqm/month)	INVENTORY (SQM)	OCCUPANCY RATE	QTR NET ABSORPTION (SQM)	AVG ASKING RENT (USD/sqm/month)
YTD 2025	17,200	69%	248	\$ 134	4,432,000	82%	277,000	\$ 5.0	2,906,000	69%	79,800	\$ 4.9
Q2 2025	17,200	69%	100	\$ 136	4,466,000	83%	97,000	\$ 5.0	3,162,000	70%	29,000	\$ 4.9
QoQ	▲2.8%	◀▶	▼32.43%	▲3.0%	▲ 0.77%	▲ 2.0 ppts	▼44.0%	◀▶	▲4.5%	▲2.0 ppts	▼42.29%	◀▶
YoY	▲7.5%	◀▶	▼45.65%	▲5.0%	▲ 20.72%	▲ 4.0 ppts	▼61.0%	▲ 2.0%	▲31.77%	▼2.0 ppts	▼72.89%	▲2.0%

Average primary asking prices of IP land are prices offered directly from IP developers, exclusive of VAT and management fee  
All rents of RBF/RBW are inclusive of SC but exclusive of VAT  
USD/VND = 26,000 in Q2 2025

PLANNED & UNDER CONSTRUCTION SUPPLY 2025 – 2027F

PROPERTY	TOTAL FUTURE SUPPLY	CAGR (2025 – 2027)
IP Land	6,652 ha	12 %/year
RBF	856,000 sqm	3.9%/year
RBW	798,000 sqm	3.6%/year

KEY NEW LAUNCH PROJECTS Q2 2025

PROJECT	PROVINCE / CITY	TYPE	SCALE	DEVELOPER
Trang Due 3 IP	Hai Phong	IP	687 ha	Saigon – Hai Phong Industrial Park Corporation
WINC	Hai Phong	RBW	13,600 sqm	WIIN Vietnam Investment and Industry Company Limited
BW Industrial Pho Noi	Hung Yen	RBW	122,831 sqm	BW Industrial
GVIP Gia Binh 2	Bac Ninh	RBF	34,157 sqm	Green Vision

NOTABLE UPCOMING PROJECTS 2025 – 2027

PROPERTY	TYPE	PROVINCE / CITY	SCALE	DEVELOPER	EXPECTED LAUNCH
Dong Anh IP	IP	Hanoi	201 ha	Vinaconex	2025 - 2026
Kim Thanh IP	IP	Hai Duong	124 ha	COMA 18	2027
KCN Vietnam An Phat	RBF	Hai Duong	20,576 sqm	KCN Vietnam	2025
SLP Park Yen Phong 2C	RBW	Bac Ninh	99,000 sqm	SLP	2025

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

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