



NORTHERN KEY ECONOMIC ZONE INDUSTRIAL MARKETS

Q3 2025 Market Beat

Better never settles

MARKETBEAT

NORTHERN KEY ECONOMIC ZONE (*)

INDUSTRIAL Q3 2025

(*): The Northern Key Economic Region includes Phu Tho Province and the Red River Delta Region, which, after the provincial merger, comprises Hanoi, Quang Ninh, Hai Phong, Bac Ninh, Hung Yen, and Ninh Binh.



INDUSTRIAL PARK (IP) LAND

MARKET FUNDAMENTALS

Occupancy Rate	67%
Total Supply	23,563 Ha
Avg. Asking Rent, USD/sqm/lease term	133 USD

SUPPLY: OVER 700 HA OF INDUSTRIAL LAND ENTERING THE MARKET

After redefining the Northern Economic Region according to the new administrative units, the total accumulated industrial land supply in the region reached 23,563 ha. This change in calculation led to a breakthrough 37% growth in total stock compared to the previous period.

In addition, the market welcomed new practical supply in the quarter with the groundbreaking of three industrial parks (IPs) in Phu Tho, Hai Phong, and Ninh Binh, adding over 700 ha of leasable land.

DEMAND: OCCUPANCY RATE DECLINES AMID SURGING

The average occupancy rate of the Northern industrial land market in Q3 2025 stood at 67%, down from Q2 2025. This decline was expected and does not indicate weakening demand. The main reason is that a large volume of supply from provinces outside the key economic zones, such as Bac Giang and Phu Tho, entered the market after the merger, where absorption rates are lower and require time to be fully taken up.

Actual demand remains strong in the industrial “hubs”. Hanoi is almost fully occupied, while Bac Ninh maintains a high occupancy rate of around 75%. Leasing demand continues to focus on high value-added sectors such as technology, electronic components, and circuit board manufacturing.

RENT: SUSTAINABLE ANNUAL GROWTH TREND

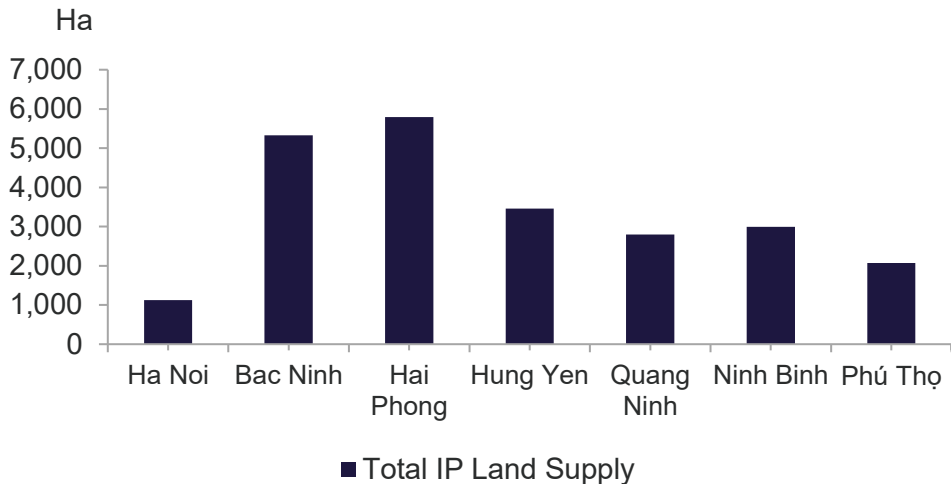
The average asking rent for industrial land in Q3 2025 was 133 USD/sqm/lease term, recording a slight 2% decrease quarter-on-quarter, mainly due to the inclusion of provinces with lower rental levels. However, on a like-for-like basis, rent still grew 4% year-on-year, confirming a sustainable upward trend in key industrial zones.

MARKET OUTLOOK

The market is expected to continue adding supply, with approximately 6,500 ha of industrial land to be added between 2025 and 2028. Amid this expansion, Ninh Binh is emerging as a potential economic region, with two major industrial park projects—Dong Van V IP and Dong Van VI IP by Western Pacific—expected to provide nearly 500 ha of new leasable land.

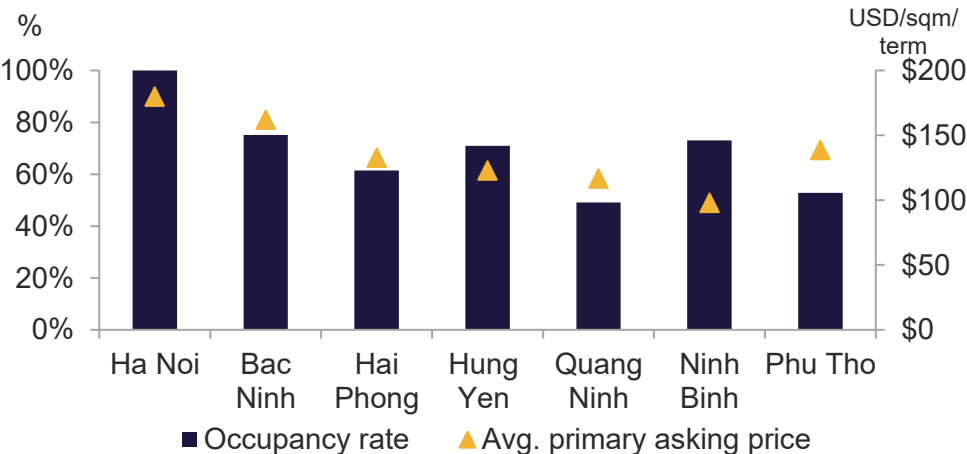
The merger of provinces expanding the economic region plays a key role in forming a continuous industrial economic belt, enhancing the competitive advantages of Northern Vietnam. This policy helps streamline administrative procedures and optimize resource allocation, creating more favorable conditions for large-scale investors. At the same time, the development of key infrastructure projects, such as the expansion of Gia Binh Airport into a 4E international airport and the widening of the North–South Expressway, will strengthen inter-regional connectivity, serving as a logistics backbone linking production centers with Northern seaports.

EXISTING INDUSTRIAL LAND SUPPLY, Q3 2025



Source: Cushman & Wakefield

INDUSTRIAL LAND PERFORMANCE



Source: Cushman & Wakefield

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INDUSTRIAL Q3 2025

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READY-BUILT FACTORY (RBF) (*)

MARKET FUNDAMENTALS

Occupancy Rate	87%
Total Supply	5.1 mil sqm
Avg. Asking Rent, USD/sqm/month	5.0 USD

SUPPLY: NEARLY 100,000 SQM ENTERING THE MARKET FROM MAJOR DEVELOPERS

In Q3 2025, the total accumulated stock of ready-built factories (RBF) in Northern Vietnam reached approximately 5.1 million sqm of leasable space, representing a 14% increase compared to the pre-merger stock.

The market welcomed nearly 100,000 sqm of new leasable space, coming from two notable projects: KTG Industrial VSIP Bac Ninh 2 – Phase 1 with around 43,000 sqm, and another project in Hung Yen.

DEMAND: STRONG DEMAND DRIVES IMPRESSIVE OCCUPANCY GROWTH

The highlight of Q3 2025 was that the occupancy rate of RBFs in the North reached approximately 87%, up 4 percentage points from Q2 2025. This growth is particularly remarkable given the market absorbed nearly 100,000 sqm of new supply during the same period. It indicates that demand is outpacing new supply, and all well-located projects are being leased quickly.

Hanoi continues to lead with nearly 100% occupancy, reflecting tight supply and strong appeal. Other strong markets include Hung Yen (93%), Hai Phong (87%), and Bac Ninh (86%). Leasing demand is driven by high-tech sectors, including electronic components, circuit boards, and some traditional manufacturing industries, which prefer RBF solutions to save setup time.

RENT: MAINTAINING STABILITY

The average asking rent for RBFs in Q3 2025 remained at 5.0 USD/sqm/month, unchanged from Q2 2025. Stability compared to the previous quarter shows the market is absorbing new supply in a balanced manner. However, a 2% increase year-on-year indicates a continued long-term upward trend, underpinned by strong underlying demand.

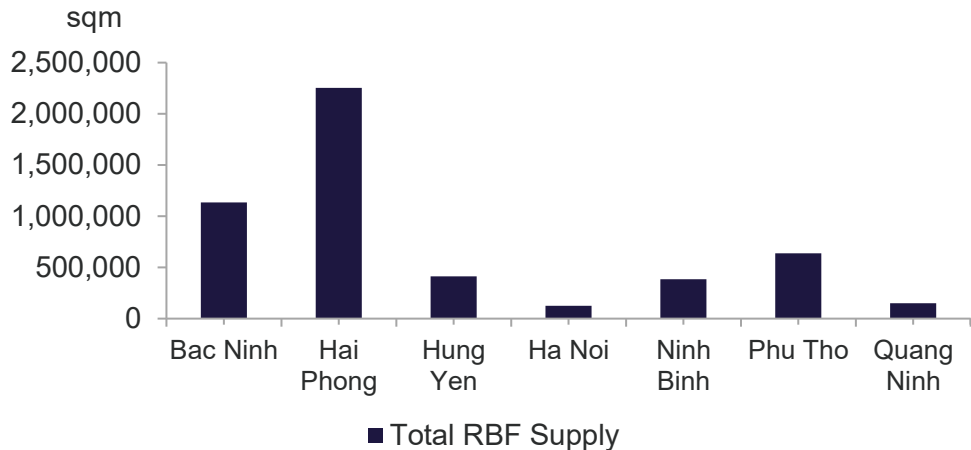
MARKET OUTLOOK: ACCELERATING WITH THE HIGH-TECH MANUFACTURING WAVE

The Northern RBF market is expected to add approximately 900,000 sqm of new leasable space over the next three years to meet rising investment demand. The trend of developers shifting from warehouse to factory development reflects the flexibility of value-chain developers in the North, focusing on higher value-added production rather than pure storage.

This growth is supported by completed expressways and expected new airport developments, such as Gia Binh, which will create a seamless logistics network.

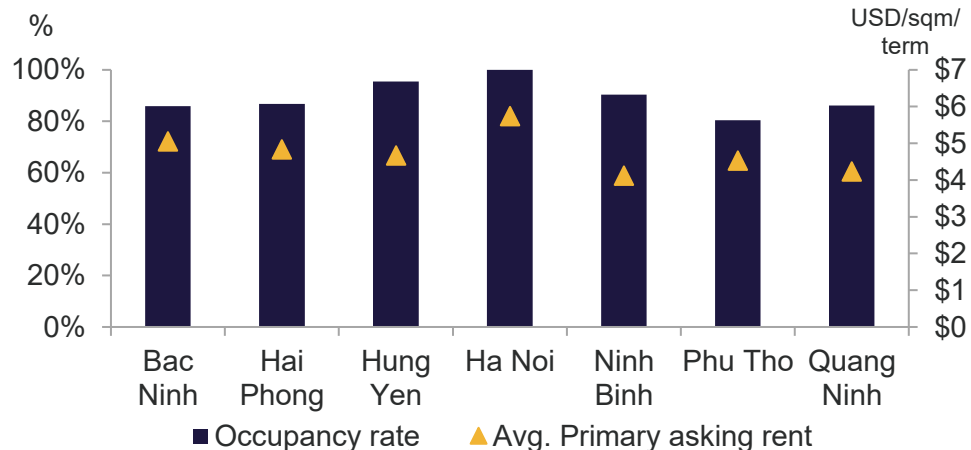
Province mergers open up new opportunities, supporting sustainable RBF growth by creating a large, connected industrial belt. Administrative alignment in expanded areas will reduce investment barriers and reinforce the core advantages of RBFs: availability and speed of deployment. This is particularly attractive to high-tech and electronic-component investors seeking to quickly establish supply chains in Northern Vietnam, leveraging a large-scale, efficiently planned market.

EXISTING ACCUMULATED SUPPLY, Q3 2025



Source: Cushman & Wakefield

RBF PERFORMANCE



Source: Cushman & Wakefield

MARKETBEAT

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INDUSTRIAL Q3 2025

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READY-BUILT WAREHOUSES (RBW) & MIXED-USE FACTORIES (RBH)(*)

MARKET FUNDAMENTALS

Occupancy Rate	77%
Total Supply	3.4 mil sqm
Avg. Asking Rent, USD/sqm/month	4.9 USD

SUPPLY: 18,000 SQM OF LEASABLE SPACE ENTERING THE MARKET

Following the provincial merger, the total accumulated stock of ready-built warehouses (RBW) in Northern Vietnam reached approximately 3.4 million sqm of leasable space, representing a 7.6% increase compared to pre-merger levels.

The market welcomed 18,000 sqm of new leasable space from a single project in Hung Yen.

DEMAND: STRONG YEAR-END DEMAND GROWTH

The occupancy rate of RBWs in Q3 2025 reached approximately 77%, up 7 percentage points from Q2 2025. This strong growth in leasing demand was mainly driven by inventory buildup for year-end holidays (e.g., confectionery, food) and the stable growth of sectors such as electronic components, circuit boards, traditional manufacturing, and construction materials.

Given the limited project scale, provinces such as Hanoi, Ninh Binh, and Quang Ninh saw occupancy rates near 97–100%, followed by Hung Yen (~80%) and Hai Phong (78%).

RENT: MAINTAINING STABILITY

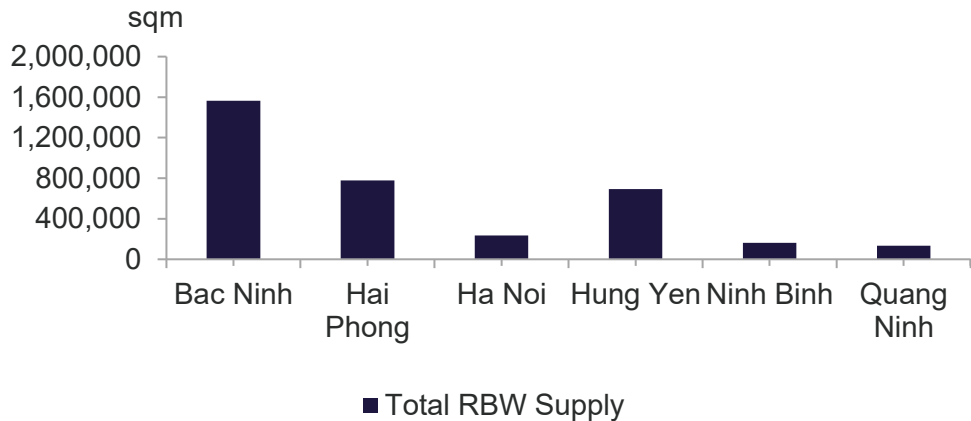
The average asking rent for RBWs in Q3 2025 remained at 4.9 USD/sqm/month, unchanged compared to the first half of the year. However, rents still recorded a modest 2% year-on-year increase, reflecting steady long-term growth.

MARKET OUTLOOK: BAC NINH AND HAI PHONG – KEY PILLARS OF FUTURE SUPPLY

Over the next three years, the Northern key economic region is expected to add approximately 800,000 sqm of new RBW space. Future supply will be concentrated in Bac Ninh (~49%) and Hai Phong (~31%), reinforcing the role of these provinces as major international logistics gateways serving both manufacturing and import-export activities.

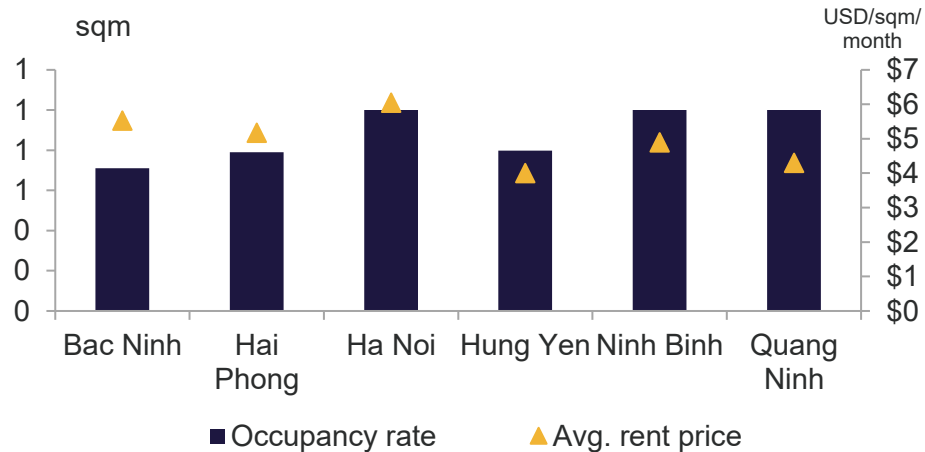
The provincial merger has created a strategic lever for the RBW segment in the North. Expanded administrative scale, combined with strong infrastructure investment policies, is helping optimize distribution networks, reduce operational and logistics costs, and facilitate international investors in quickly establishing modern distribution centers. Alongside major infrastructure projects such as the North–South Expressway, RBWs are expected to play a pivotal role, supporting the growth of e-commerce ecosystems and industrial supply chains across the region.

EXISTING ACCUMULATED SUPPLY, Q3 2025



Source: Cushman & Wakefield

RBW PERFORMANCE



Source: Cushman & Wakefield

MARKET STATISTICS

	INDUSTRIAL PARK (IP) LAND			READY-BUILT FACTORY (RBF)			READY-BUILT WAREHOUSE (RBW)		
	TOTAL SUPPLY (HA)	OCCUPANCY RATE	AVG PRIMARY ASKING RENT (USD/sqm/lease term)	TOTAL SUPPLY (HA)	OCCUPANCY RATE	AVG PRIMARY ASKING RENT (USD/sqm/lease term)	TOTAL SUPPLY (HA)	OCCUPANCY RATE	AVG PRIMARY ASKING RENT (USD/sqm/lease term)
Q3 2025	23,563	67%	\$ 133	5,100,000	87%	\$ 5.0	3,405,000	77%	\$ 4.9
QoQ	▲ 37%	▼ 2.0 ppts	▼ 2.0 %	▲ 14%	▲ 4.0 ppts	◀▶	▲ 7,6%	▲ 7.0 ppts	◀▶

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 = 26,500 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 Q3 2025

PROJECT	PROVINCE / CITY	TYPE	SCALE	DEVELOPER
Nam Binh Xuyen – Green Park IP	Phu Tho	IP	295 ha	CNC Tech Industrial
Tan Trao IP-Phase 1	Hai Phong	IP	227 ha	Vinhomes Hai Phong Industrial Park Investment Joint Stock Company
Trung Thanh IP	Ninh Binh	IP	200 ha	Capella Real Estate JSC & Nam Dinh Infrastructure Development JSC (joint venture)
KTG Industrial VSIP Bac Ninh 2 – Phase 1	Bac Ninh	RBF	43,892 sqm	KTG Industrial
Spectrum Hung Yen	Hung Yen	RBF	52,000 sqm	Soilbuild International Group
Yusen Logistics Hung Yen	Hung Yen	RBW	18,634 sqm	Yusen Logistics

NOTABLE UPCOMING PROJECTS 2026 – 2027

PROPERTY	TYPE	PROVINCE / CITY	SCALE	DEVELOPER	EXPECTED LAUNCH
Dong Anh IP	IP	Ha Noi	201 ha	Vinaconex	2025 - 2026
Kim Thanh IP	IP	Hai Duong	124 ha	COMA 18	2027
KCN An Phat Vietnam	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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