Ho Chi Minh City: Real Estate Market: Opportunities and Risk Assessment

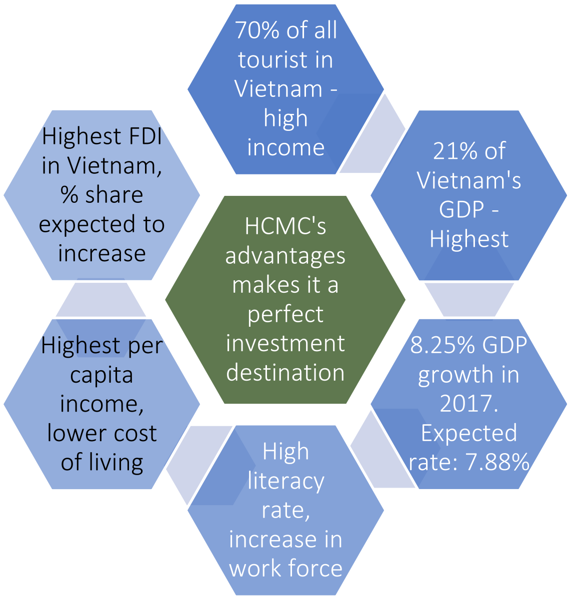
April-May 2018

EPOS Development

Table of Contents:

Executive Summary:

- HCMC is the financial, economic and tourism hub of Vietnam and is witnessing a range of supporting developments
- HCMC far surpasses overall Vietnam in terms of macro-economic factors and growth and its market is considered equivalent to a developing China of 10 years ago
- Additional efforts such as developing HCMC as medical tourism hub will support HCMC's growth in the long run



- Strong growth of HCMC real estate market; supported by economic growth, government effort, income growth as well as factors such as decline in household occupancy
- Hotels: Growth of tourism industry and infrastructure development
- Residential: Income growth, government effort, economic growth, urbanization
- Commercial: Income growth, development of HCMC as services market
- Industrial: Government effort, economic growth, income growth, manufacturing growth

Residential +

- Residential represents highest in HCMC - ~70%
- High stability
- Highest yield – 5 - 7%
- Strong past growth and future growth forecast
- Both rental and sales growth
- Growing FDI

Outlook: Positive / Buy

Office +

- High rental growth
- Growing economy, urbanization, job market, FDI are key drivers
- Moderate supply, demand for high quality buildings will lead to very strong rental growth in future

Outlook: Positive / Buy

Industrial +

- FDI, income growth, economic growth key drivers
- HCMC as manufacturing hub
- Infrastructure development drawing companies
- Strong growth support
- Opportunity in outer HCMC areas

Outlook: Positive / Buy

Commercial +

- Growing presence of foreign retailers
- Income growth, economic growth leading to high purchasing power
- Lower new supply, high asking rent growth, high demand continues
- Non-CBD areas are for new entrants

Outlook: Positive / Buy

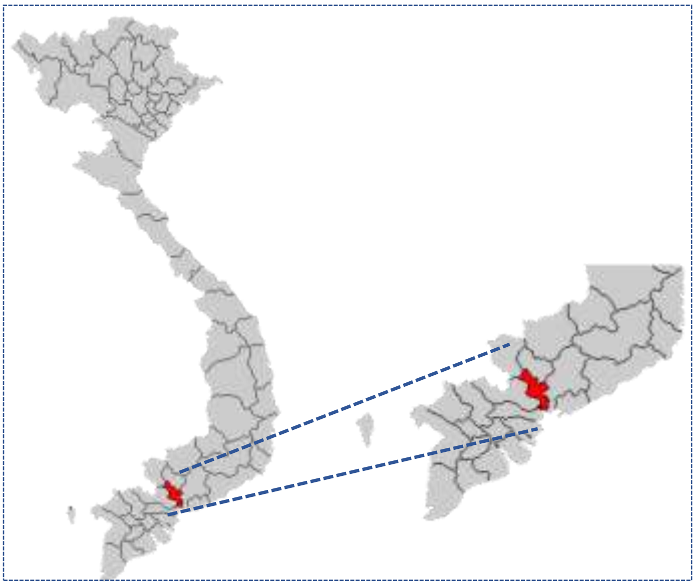
Hotels −

- Strong tourism growth in HCMC
- Development of new airport and hubs will attract more tourist and business travellers
- Growing presence of MNCs
- However, has oversupply of stock
- Near terms growth outlook is negative

Overview, Demographics and Economy of HCMC:

HCMC is the Largest City by Population

Ho Chi Minh City, also informally known by its former name of Saigon, is located in the south-eastern region of Vietnam and is the largest city in Vietnam by population. The city's metropolitan area, which consists of the Ho Chi Minh City metropolis and surrounding towns, has a population of over 13 million people, making it the most populous metropolitan area in Vietnam. Ho Chi Ming City in itself has a population of 8.3 million (December 2016). The city's population is witnessing moderate growth and is expected to reach 13.9 million by 2025, presenting new opportunities as well as challenges for the government. The city has a total area of 2,096.56 square kilometres, with a population density of 4,100 per square kilometre.



Apart from being the largest city by population, Ho Chi Ming City also is the economic center of Vietnam. Ho Chi Minh City is a municipality at the same level as Vietnam's provinces and is divided into rural and urban districts. The urban districts can be further categorized into urban and semi-urban.

HCMC is Vietnam's Tourism Hub, with a Developed Healthcare System and Education Infrastructure

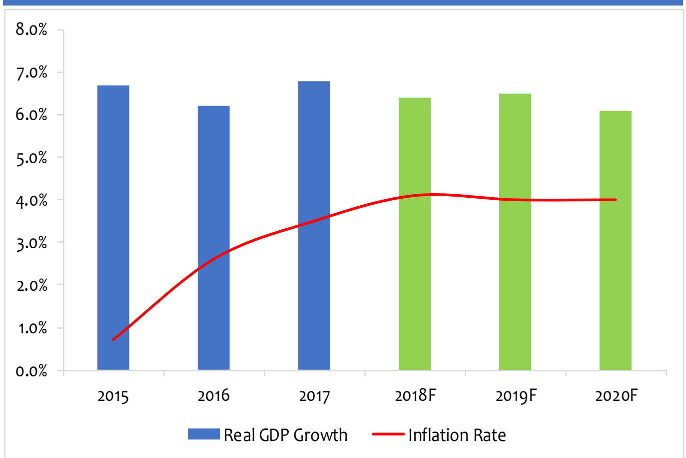
HCMC has a relatively well-developed healthcare system, as well as a well-established education infrastructure. The city has more than 80 universities and colleges with a total of over 400,000 students. Some of the notable universities include Vietnam National University, Ho Chi Minh City; The University of Technology; The University of Sciences (formerly Saigon College of Sciences); The University of Social Sciences and Humanities (formerly Saigon College of Letters); The International University; The University of Economics and Law; and the newly established University of Information Technology.

HCMC is also one of the most vibrant cities in Asia and is a tourism hub in Vietnam, drawing an increasing number of tourist over the years. It is estimated that in 2007, HCMC accounted for 70% of all tourists in Vietnam – a percentage which has increased over the years. HCMC witnessed 5.2 million foreign tourists in 2016, making it the first ever locality in Vietnam to cross 5 million overseas visitors nationwide. The city has been working on a number of new tourism products, including medical tourism and craft trading streets.

Increase in FDI, Strong GDP, and Per Capita Income Growth – Points Towards Strong Positive Outlook for HCMC

Vietnam is witnessing a strong growth driven by multiple factors. Several factors such as urbanization, increasing presence of global companies, job creation, etc. are driving the economy. The inflation is well controlled by the government and is expected to remain within or around the 4% target. This combined with a strong real GDP growth – which is expected to hover around 6% through 2020 – indicates strong positives for various stakeholders in the market.

Vietnam Real GDP and Inflation Rate – 2015-2020F



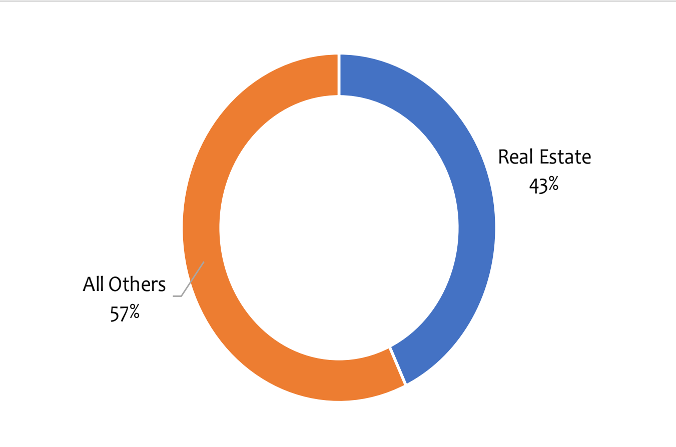
Additionally, the Vietnamese stock market is expected to continue its positive run from previous year's (2017) 73% y-o-y market capitalization surge and the 48% y-o-y increase of the VN-index. This is another step towards building investor confidence and hence will further help in driving the economy.

HCMC is the economic and business hub of Vietnam since long. Although HCMC takes only 0.63% of Vietnam's land area, it contributed to 20.2% of its GDP, 27.9% of industrial output and 34.9% of the FDI projects in the country back in 2005. This has increased over the years and by the end of 2016, total cumulative FDI project investments amounted to $45.3 billion (total number of FDI projects were 6,762 by the end of 2016). Currently HCMC accounts for 21% of the country's GDP and one-third of the state budget. In 2016, HCMC exported $31.8 billion worth of products to foreign markets following an average yearly export growth rate of 6% during the 2010 to 2016 period.

In 2017, total newly registered and supplementary FDI achieved $6.3 billion with 193 supplementary projects of $962.1 million.

Real estate was the leading sector in the FDI space with 25 projects and $1.9 billion, accounting for 43.4% of total inflows. Retail sales for whole of 2017 reached $40.7 billion, an increase of 11.3% in comparison to 2016.

HCMC FDI in Real Estate vs All Other Sectors – 2016



FDI in Real Estate is the Main Driver

HCMC's real estate sector attracted $984.4 million FDI during January-November 2017 and $1.9 billion in whole of 2017. FDI in Jan-Nov 2017 was three times during the same period in 2016. The surge in FDI in 2017 is led by large projects, including Mizuki Park residential area in Binh Chanh district with total investment of $351 million with Japanese partners Nish Nippon and Hankyu. Japanese investors also put $100 million into another real estate project in the city while Singapore-based Keppel Corporation is spending more on property projects in District 2 and District 7. Another housing project with initial investment of $290 million is being developed by Japanese Mitsubishi Group in collaboration with Bitexco group. A joint venture valued at $1 billion between Kajima Corporation, also from Japan, and Indochina Capital is slated for investment in the city in the next 10 years.

Foreign investors are increasingly interested in property in Ho Chi Minh City, and particularly looking at investment opportunities in housing projects with well-developed transport infrastructure or those which have been put into operation as they can bring back stable income. Various factors such as rapid urbanisation, a stable economy, deep integration, a growing middle-class population, and a transparent business market have made Ho Chi Minh City attractive to foreigners.

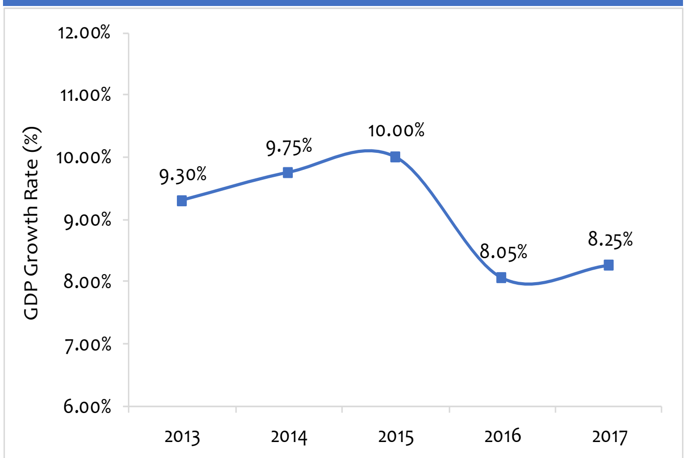
Further, research – such as one by real estate firm Savills, which ranked Ho Chi Minh City third among 50 cities worldwide for property rental growth, and also placed HCMC fifth in terms of investment prospects, and second for development prospects – acts as strong boost to investor confidence.

The positive FDI run of HCMC has continued and in the first quarter of 2018, the city received a total of $1.7 billion – a fourfold increase compared with the same period last year – and was the leading city in Vietnam. According to Su Ngoc Anh, Director of the municipal Department of Planning and Investment, the number of projects and investment capital will continue to rise in the rest 2018. He further emphasised share purchases, as this type of investment enjoyed a fivefold increase against the same period last year, with a focus on real estate, science and technology and tourism.

It is expected that the city will facilitate foreign investors, who want to contribute capital to or buy shares of Vietnamese businesses by offering online registration. Su Ngoc Anh added that the city will consider measures to attract more investment in real estate, science and technology and tourism, while seeking to create an equally competitive investment environment.

HCMC has witnessed a handsome GDP growth over the years, while the GDP growth rate has declined from the high in 2014-15, it is still among best among the Asian cities and was 8.25% in 2017 (from the previous year). Export resilience and sustainable growth in service sector are the key factors driving this strong growth. Accordingly, service sector dominates the economy and in 2017, this sector contributed $27.3 billion, which was 58.3% of the city's economy. Services sector is followed by industrial & construction sector, and the agriculture-forestry-fishery sector, at 24.8% and 0.81% respectively.

HCMC GDP Growth Rate – 2013-2017

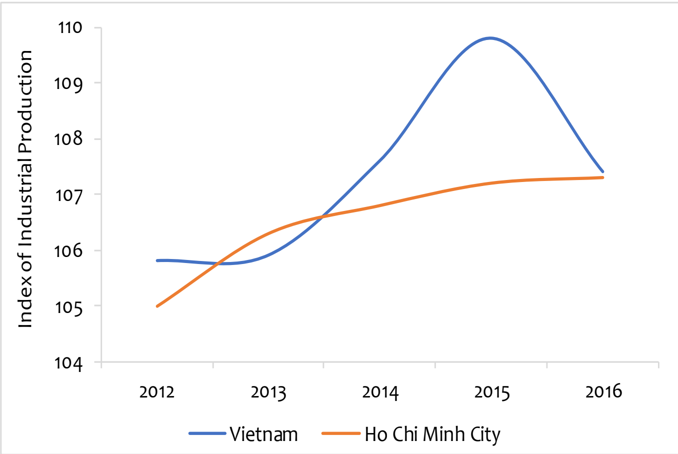


A Stable IIP Indicates Positive Investor Sentiment

In terms of Index of Industrial Production (IIP), Ho Chi Minh City scored less than Vietnam, however, more importantly, it has displayed a much higher stability and was 107.3 by the end of 2016, equating overall Vietnam's IIP. This high stability and continuous growth of IIP in HCMC is a very positive indicators and points towards a favourable future outlook.

For Vietnam's IIP, standard deviation for the period of 2012 to 2016 was 1.45 and variance was 2.11. While that of HCMC's was 0.84 (standard deviation) and 0.70 (variance) – which indicates a highly stable and hence dependable market (and high investor sentiment) in HCMC compared to Vietnam.

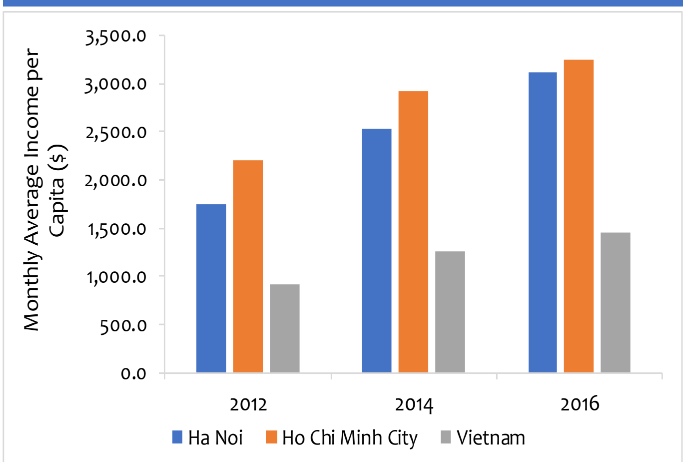
Index of Industrial Production – HCMC vs Vietnam



High Spending Power, Low Cost of Living and Declining Poverty Rate – Further Supports Growth

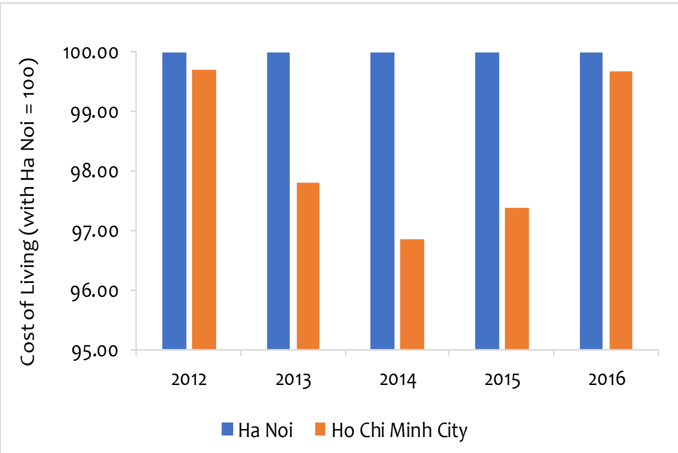
HCMC has the highest average income per capita (monthly) in Vietnam and hence indicates a high spending power. HCMC has witnessed a strong per capita income growth of 10.2% (CAGR) from 2012 through 2016. Additionally, HCMC is also less costly compared to the capital Ha Noi and hence this combination of higher income and low cost of living has resulted in higher spending power.

Monthly Income Per Capita – HCMC, Ha Noi, Vietnam



Cost of living in HCMC has varied over the years, however, it still remains lower than Ha Noi. This lower cost of living combined with an increase in disposable income is a positive indication and results in increase in opportunity for all service providers.

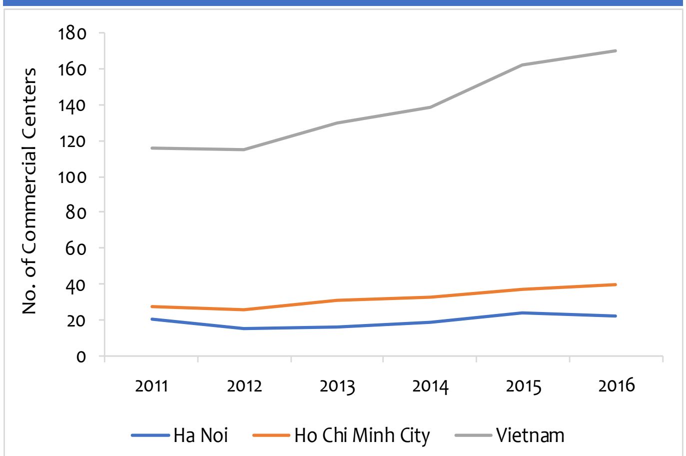
Cost of Living – HCMC vs Ha Noi



Incidentally, HCMC also has the lowest poverty rate in Vietnam and has witnessed a decline in poverty since 2012. While Ha Noi and overall Vietnam also witnessed decline in poverty, however, not at the same level as HCMC.

Another indication of HCMC's economic growth is the increase in number of supermarkets and commercial centers. HCMC had 152 supermarkets in 2012, which has increased to 193 by the end of 2016. In comparison, Ha Noi has just 124 supermarkets by the end of 2016. HCMC's supermarkets accounted for 22.2% of all supermarkets in Vietnam by 2016. Similarly, HCMC also has the largest number of commercial centers in Vietnam. HCMC had 40 commercial centers by the end of 2016, which is 23.5% of all commercial centers in Vietnam. In comparison, Ha Noi had only 22 commercial centers. The growth in commercial centers in HCMC was 8.2% (CAGR) from 2012 through 2016, which is the highest in the country.

No. of Commercial Centers – HCMC vs Others



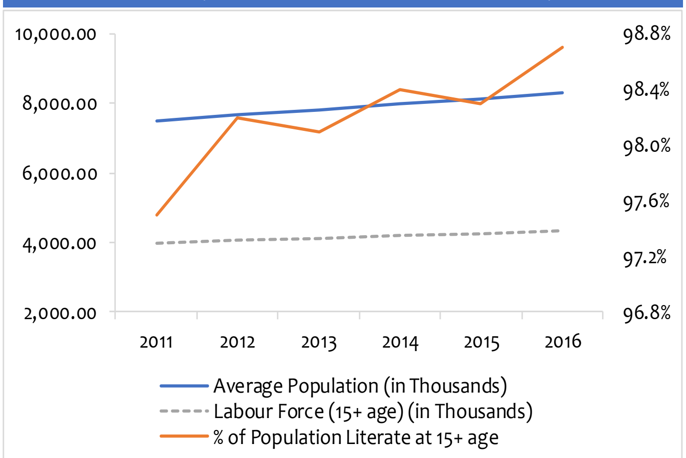
High Literacy Rate, Increase in Labor Force, and Geographic Expansion of HCMC – Boosts Economic Growth

HCMC is the most populous city in Vietnam and is expected to remain so in the coming years. HCMC has a total population of 8.3 million (December 2016), which has steadily increased over time. Both birth rate and mortality rate has decreased, however, the decrease in mortality rate is higher than decrease in birth rate, which has resulted in gradual increase in population. The population has increase by around 2% in the past five years – from 2011 through 2016.

Majority of the population in HCMC are ethnic Vietnamese (Kinh) (93.5%), followed by Chinese (Hoa) (5.8%). Cholon – in District 5 and parts of Districts 6, 10 and 11 – is home to the largest Chinese community in Vietnam. Other ethnic minorities include Khmer with 0.34%, and Cham with 0.1%.

Along with increase in population, literacy rate and labor force (percentage population at employable age) has increased – indicating a positive prospect for HCMC. Both average population and labor force has witnessed a moderate increase of around 2% (CAGR) from 2011 through 2016. While percentage of population literate at employable age has increased from 97.5% in 2011 to 98.7% by 2016 – again indicating a strong positive for HCMC.

HCMC – Population, Labor Force, Literacy Rate

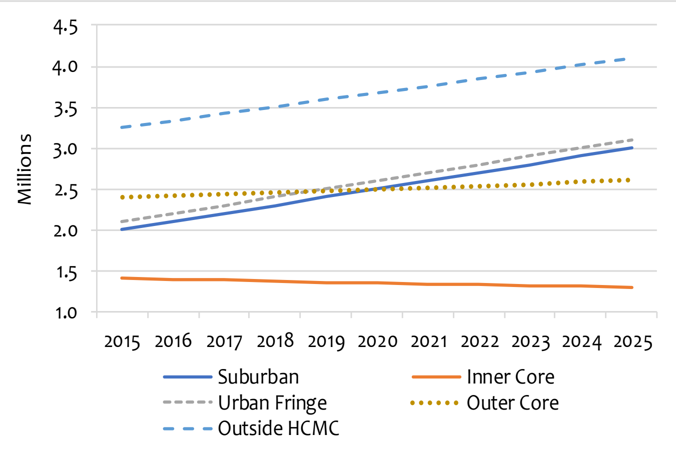


In HCMC, Buddhism is the most followed religion at 50%, followed by Roman Catholics at 12%. All other religious beliefs form 4% of the population. However, a significant 34% of the population has no religious affiliations.

HCMC is witnessing a change in population dynamics, which is expected to continue in the coming years. Majority of HCMC's population currently resides outside the city limits, which is expected to continue. However, suburban population and urban fringe are expected to see the strongest growth in the coming years. While city inner core will see a decline in population and city outer core will see a negligible growth.

This indicates an expanding city boundary and hence represents more opportunity for the real estate market players, as well as various other service providers that were earlier limited by the city limits.

HCMC – Population Movement – 2015-2025



Indicator	Value	Market Outlook
Population	8.3 million (Dec 2016)	⇔
Population Growth	1 - 2%	⇔
Literacy Rate	98.70%	⇧
FDI	$6.3 billion*	⇧
GDP Growth	8.25%	⇧
Per Capita Income	$3,249.00	⇧
Cost of Living	99.67**	⇔
Key Sectors	Real Estate, Technology, Tourism, Services	-

Note:
** In 2017, total newly registered and supplementary FDI achieved $6.3 billion with 193 supplementary projects of $962.1 million*
*** Ha Noi as base = 100*

Presence of Global Companies

HCMC has the presence of some large well-known companies as well as local Vietnamese companies. The strong economic prospect of the city is further attracting other global companies – a trend that is expected to continue in the coming years.

Some key companies with offices in HCMC are:

Banking / BFSI	IT / ITeS	Manufacturing	Automotive	Consumer Goods	Services
PwC	Intel Corp.	Robert Bosch	Mercedes	Unilever	Neilsen
HSBC Holdings	CSC	Samsung Electronics	Isuzu	Procter & Gamble	Ipsos
EY	IBM	Toshiba		Johnson & Johnson	
Deloitte		3M		Colgate-Palmolive	
ANZ Bank				British American Tobacco	
Prudential Plc					

Real Estate Market:

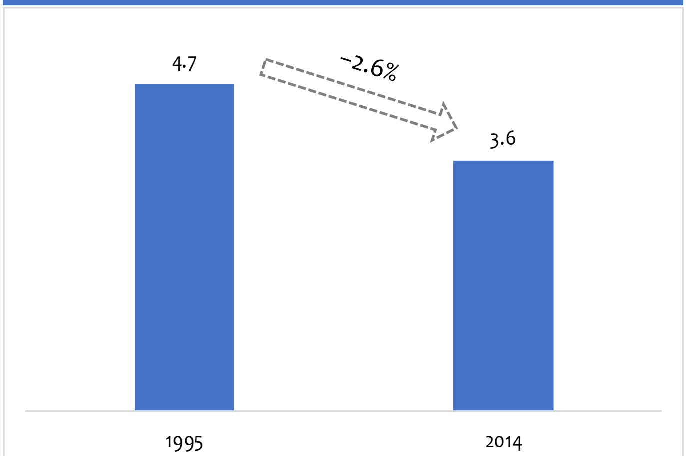
The HCMC property market is a strong growing yet stable market which is witnessing a lot of attraction from various real estate players. All property market segments – residential, office, commercial/retail and industrial are witnessing strong growth and interest from local as well as foreign players. The real estate market is also witnessing the highest among of FDI and hence is further increasing the competition.

Residential Real Estate Market

The residential real estate market in HCMC is highly active and growing. However, similar to other residential property markets, this market also sees property cycles – i.e., up and downs at fixed intervals. Unlike most other residential property markets though, the residential property cycles in HCMC are of much shorter duration. Along with factors such as entrance of companies, employment, and economic development, a key factor driving the growth of the residential market is change in household occupancy. Household occupancy in HCMC has fallen from 4.7 people per household in 1995 to 3.6 in 2014. This fall is mainly due to greater independence of younger people and a gradual erosion of three generation households – which is expected to continue further in the coming years.

Another factor driving the growth of the residential market is HCMC's relatively low apartment price compared to most other locations such as Hong Kong, Thailand, India and Australia. The comparatively low sales price along with a higher rental yield is encouraging middle-class Asian buyers to look at HCMC for holiday homes or investment properties.

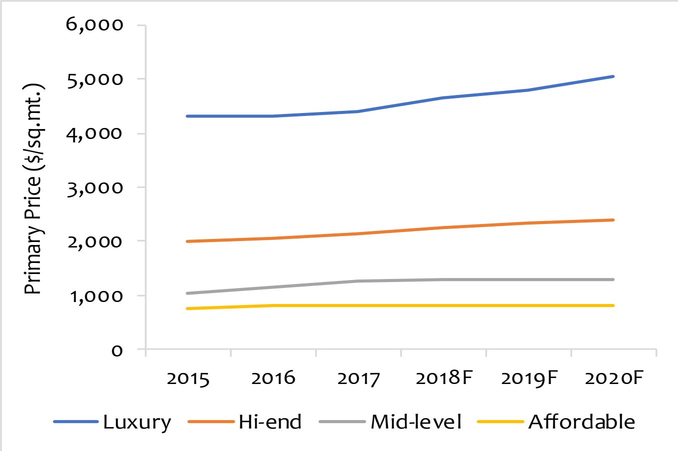
HCMC – Household Occupancy – 1995-2014



Both Sales and Rental Price are on the Upward Trend, Indicating a Strong Market with Promising Future Prospects

Apart from a few large movements, residential property prices have remained stable indicating a low volatility of residential real estate market in HCMC, which is a positive factor for real estate developers.

HCMC Residential – Primary Price – 2015-2020F



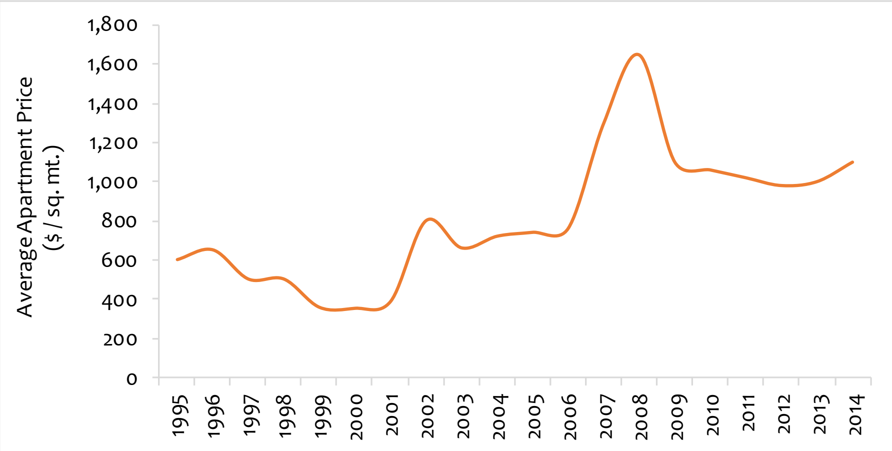
The primary pricing for apartments has shown a steady upward trend with luxury apartments expected to see strong growth in the coming years. While primary price for affordable apartments are expected to remain flat in the coming years, hi-end and mid-level are also expected to see strong growth. The luxury segment is expected to see a growth of 3.3% for the 2015 to 2020 period. While hi-end and mid-level segments are expected to see price growth of 3.7% and 4.4% respectively for the same period. Overall, primary price of apartments in HCMC will remain on the upward trend – due to a variety of reasons including positive sentiments, consumer confidence, growing demand and increase in disposable income. On the developers front, aggressive marketing strategies with soft-launch events will help maintain the growth momentum.

In the secondary market, mid-level and affordable segments have witnessed most growth in the past and this trend is expected to continue.

The price variability has been low in the past couple of years, indicating a low volatility and hence predictable growth and positive sentiment among investors. Apart from the abnormal movement in 2006-2007 – when the market saw huge leap in price as result of flooding of direct and indirect investment (due to Vietnam's joining of WTO), and in 2008-2009 when the prices dropped sharply due to the global financial crisis – the residential market cycle has remained within the predicted limit and hence with time, the market has become increasingly attractive for foreign players.

the market. This trend is expected to continue in the coming years. Along with mid-segment, affordable segment is also expected to see strong growth – mainly driven by urbanization and continued decline in household occupancy

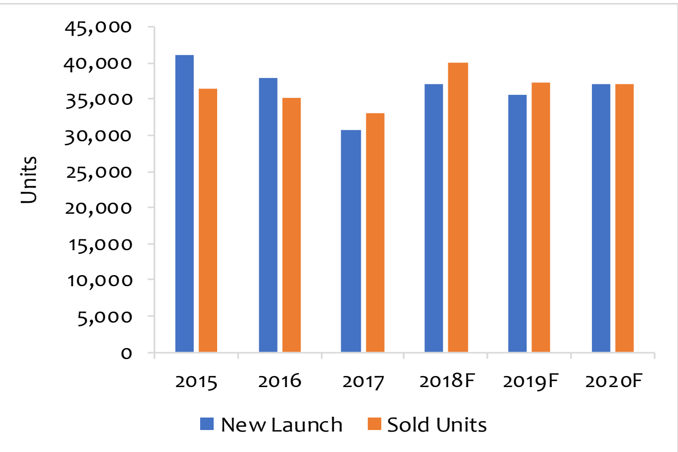
Average Apartment Price – Historical Data – 1995-2014



High Supply and Good Sales Forecast

In the supply side, new launch has decreased considerably since 2015. Sold units have declined as well, however, decline in apartment sales is slower than decline in new launch, indicating a continued demand for new apartments. The forecast (2018 through 2020) shows while new launch will increase, sold units will still surpass new launch indicating a heavy demand for new apartments – and hence increase in opportunities for real estate developers.

HCMC Residential – New Launch vs Sold Units



In the supply space, mid-level segment accounted for majority of the supply in 2017 accounting for 64% of

Apart from apartments, villas/townhouses are also expected to see upward price movement through 2018 – indicating an overall positive market for sales as well as rental segments.

According to World Bank, based on the current urbanisation trends of Vietnam, urban population is expected to reach around 50% by 2040, creating demand for approximately 374,000 additional residential units in cities nationwide every year. Since HCMC is expected to be a major urbanized city, the demand for residential units will be highest in HCMC.

To address the growing demand, the government is seeking ways to encourage developers to undertake more affordable housing projects – indicating a possible demand (and opportunity) in the affordable segment.

Growing Presence of Foreign Developers Indicates High Positive Sentiment

In the HCMC residential segment, development is expected to come both from foreign developers and local developers. However, foreign developers are expected to be slightly more inclined towards high-end segment (luxury and hi-end) as they offer a higher return. In 2017, foreign developers accounted for almost 15% of launched units. Higher sales in the coming years (2018 onward) is mainly due to handover of units, which will increase the rental market as well as with the apartment sales market.

The key locations that offer strongest growth opportunities for real estate players are District 2 hotspots (Thu Thiem, an Phu, Thanh My Loi), District 9, Nha Be, Binh Chanh, and Can Gio Districts. The developments mainly will be due to expansion of HCMC and development of satellite neighborhoods.

Properties along HCMC Metro Line 1 are also witnessing strong increase in price points. As construction of the 19.7 kilometre (12.18 miles) long mass transit line progresses, HCMCs residential property sector also continues to expand to the south and the east of the city centre, with the east particularly attractive due to infrastructure improvements, such as the HCMC-Long Thanh-Dau Giay Expressway, the Hanoi Highway extension, and the approved Long Thanh airport project.

The HCMC Metro Line 1 will continue to pass through Districts 1, 2, 9, Binh Thanh, and Thu Duc on its way to its 2020 operational date – and hence these areas are expected to see strong demand and strong price (both sales and rental) growth in the coming years.

Government Support is Further Driving Foreign Investment in the Residential Market

The introduction of Housing Law and the Law on Real Estate Business in July 2015 – that enabled foreign property investors to purchase and legally own residential property in Vietnam – has helped give a massive boost to the market. The law enables foreigners to own property, including apartments, villas, and townhouses, as long as they are part of a development project. Foreigners, like locals, have the right to lease, trade, inherit, and sell their properties.

The regulatory changes have helped stimulate investor interest and invigorate the Vietnam property sector, making Vietnam one of the most attractive destinations in the region.

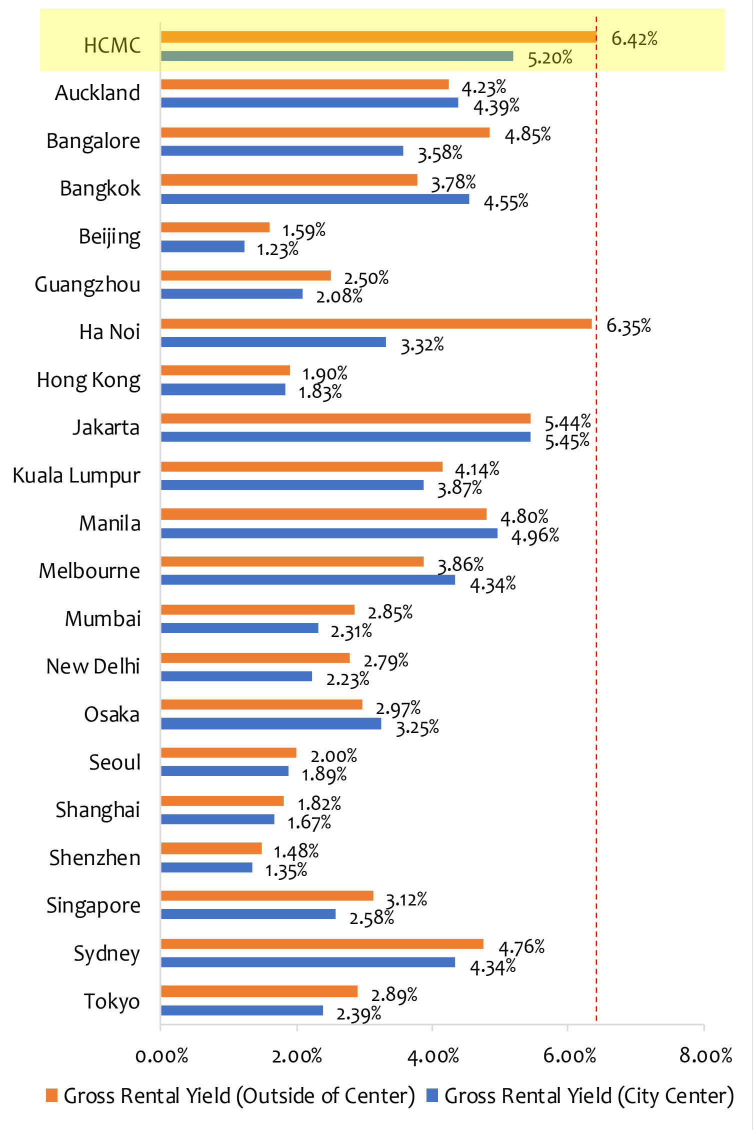
Better Rental Yield Compared to Most Other Locations

Analysis of rental yield of HCMC shows the residential real estate market in HCMC offered a much better rental yield than most other cities, including cities such as Bangalore, Beijing, Hong Kong, Jakarta, etc.

Outside city center rental yield for HCMC was 6.42% - which was the highest, and rental yield for city center was 5.2%, which was second only to Jakarta's 5.45%.

Rental yield is also expected to get boost from factors such as increasing flow of foreign investments (which will drive more expatriates and local professionals to HCMC), further developing tourism market, and capital appreciation.

HCMC Residential – Rental Yield – HCMC vs Others



New Developments

The demand driven residential market is witnessing development of large number of hi-end residential apartment and complexes. Focus is on development of luxury and hi-end apartments that suits the foreigners and wealthy Vietnamese, as well as affordable apartments that are targeted by middle-class Vietnamese as well as middle-income foreigners as investment portfolio.

Some of the recent key developments in the HCMC residential real estate market are discussed below:

Vinhomes Golden River:

Vinhomes Golden River is a riverside eco-urban residential complex developed by VinGroup. The project is constructed on the Ba Son grounds along the Saigon river, in District1, and is connected to neighboring areas through the metro line no. 1 (Ben Thanh – Suoi Tien) and the Ba Son station. The project is advertised as a "city within a city" by the developer and will include wide range facilities for residents at their doorstep.

Developer: VinGroup
Property Name: Vinhomes Golden River
Property Type and Inclusion: Complex (Condo, Vila, Office, Hotel, International school, etc.)
Location: No 2 Ton Duc Thang Street, Ben Nghe Ward, Dist.1
Price: ~ $4,500 – $5,000/sqm.
Land Area: 25.29 hectares
Status: Under construction/ Partially completed
Unit size:
Office: 1BR ~ 55 sqm; 2BR ~ 70 sqm;
Condo: 2BR ~ 83 sqm; 3BR ~ 110 sqm; 4BR ~ 158 sqm
No. of Unit: ~ 3 000 apartments + villas
No. of Storey: 60
Facilities: International school, Shophouse, Boutique, Super market, Restaurant, K12Vinschool, Sport facilities
Parking Space: 3 parking stages

Sunwah Pearl:

Sunwah Pearl is a high-end residential project developed by Sunwah Group – a global diversified corporation from Hong Kong. Sunwah Pearl is one of the waterfront projects in city center and comprises of 3 residential towers and 1 office tower.

Developer: Sunwah Group
Property Name: Sunwah Pearl
Property Type: High-end Condominiums
Location: 90 Nguyen Huu Canh St., Ward 22, Binh Thanh District, HCMC
Land Area: 19,071 sqm
Status: Under Construction
Unit size: 1 Bedroom: 52.59 sqm - 56.49 sqm
2 Bedrooms: 87.77 sqm - 112.78 sqm
3 Bedrooms: 122.26 sqm - 133.28 sqm
No. of Unit: ~ 1400
No. of Storey: 45 - 50
Expected Completion: Q3/2020
Facilities: Infinity swimming pool 1000 sqm, riverside park, Helipad, gym center, spa, restaurant, supermarket, café shop, children playground
Parking Space: 2 basement for parking, 6 floor facilities and parking space
Furnishing condition: Fully Finished

Lancaster Lincoln:

Lancaster Lincoln is the latest development by Trung Thuy Group located within 5 minutes from District 1. It comprises two 40-storey Residential Towers and one 8-storey Commercial Office Tower with the architecture inspired by Art-Deco design style.

Developer: Trung Thuy Group
Property Name: Lancaster Lincoln
Property Type: High-end Condominium
Location: 428 - 430 Nguyen Tat Thanh Street, Ward 18, District 4
Land Area: 8,414 sqm
Status: Under Construction
Unit size: 1BR: 50 sqm
2BR: 62 - 89 sqm (Exclusive Sky Terrace)
3BR: 89 - 109 sqm
4BR: 119 - 143 sqm
Expected Completion: 2019
No. of Unit: 589 units, 271 office-tel
No. of Storey:
Residential Tower: 40 floors
Office Tower: 8 floors
2 Basements
Facilities: Ben Thanh Market, Kizcity, Dragon Wharf, Nguyen Tat Thanh University, Bank, Park

Millennium:

Masteri Millennium is a luxury project from the Masteri brand in District 4. This luxury condomium is located at Ben Van Don route, which connects districts 4 and the neighboring districts. The project is in the center of District 4, adjacent to District 1 and District 7.

Developer: Thao Dien Investment Join Stock Company & Phat Dat Join Stock Company
Property Name: Millennium
Property Type: Luxury Condominium
Location: 132 Ben Van Don, District 4 , HCMC, Vietnam
Price: 2.5 Billion VND – 6.9 Billion VND
Land Area: 7.302 sqm
Status: Under construction
Unit size: 1BR & 2BR: 53,66 sqm - 74,8 sqm
3BR: 97,84 sqm - 107,88 sqm
No. of Unit: 650 unit
No. of Storey: 34 stories
Expected completion: Quarter 2/2018
Facilities: Swimming pool, Luxury Gym, Children's play area, Shopping mall
Air Condition Spec: Provided for each apartment

Saigon Me Linh Tower:

Saigon Me Linh Tower is a luxurious complex developed by Novaland. The project is located on Melinh Square overlooking to Saigon River. The tower is a combination of residential, office and retail.

Developer: Novaland Group
Property Name: Saigon Me Linh Tower
Property Type: Condominiums, Offices, Restaurants, Hotels
Location: 2-4-6 Hai Ba Trung Str., Dist.1, HCMC
Price: 6.7 - 17 billion VND
Land Area: 6.044 sqm
Status: Under Construction
Address: 2-4-6 Hai Ba Trung Str., Dist.1, HCMC
Unit size: 68 sqm – 105 sqm for condominium
Expected Completion: 2019
No. of Unit: 287 condominiums for VIP
No. of Storey: 4 Basements, 2 condominium towers with 36 floors and 48 floors
Clear Height: 220 meter tallest in Ton Duc Thang Street
Lift: Private lift which is separated for condominium owners and office tel
Parking Space: One for each condominium owner/ Helicopter parking area

Vinhomes Central Park:

Vinhomes Central Park is located at New Port, Binh Thanh District, stretching over 1km frontage along the Saigon River. The project is a modern urban complex comprising more than 10,000 condominiums and villas. Key features of the project include green environment for living standard and harmony with nature.

Developer: VinGroup
Property Name: Vinhomes Central Park
Property Type: Condo - Villa - Office - Retail
Approved Usage: For living
Location: New Port, Bình Thạnh, HCMC
Price: $1.986 – 2.205 sqm
Land Area: 43.91 ha
Built Up Area: 15.77%
Status: Under construction
Unit size: From 50 sqm to 200 sqm
No. of Unit: ~ 10,000 condominiums and office tel (duplex/penthouse) and ~ 80 detached and semi-detached villas
No. of Storey: 1 highest building in Vietnam with 81 stories
Unit Mix: 01 - 04 Bedrooms
Facilities: Vincom Center, Vinpearlland Games, Vinschool, Vinmec, Gym, Swimming Pool, Marina Central Park, Mini Golf, BBQ
Ownership structure: Freehold

Gem Riverside:

Gem Riverside is designed as a riverside resort, and its two sides have the view of Giong Ong To river. Also, Gem Riverside's apartments are designed according to Singapore standard. This project is adjacent to Thu Thiem Urban Area, Thao Dien Urban Area, the administrative center of District 2, opposite Saigon Sport City – 222 ha-sports complex, the venue for the 31st SEA Games.

Developer: Dat Xanh Group
Property Name: Gem Riverside
Property Type: High-end Codominiums
Location: Nam Rach Chiec, An Phu Ward, District 2
Land Area: 6.7 ha
Built Up Area: 379,467 sqm
Status: Under construction
Unit size:
Unit types:
- 1 Bedroom: 49.14 sqm
- 2 Bedrooms: 71.01 - 85.06 sqm
- 3 Bedrooms: 94.93 - 95.01 sqm

Penthouse: 107.78 - 151.19 sqm
Duplex villa: 129.29 - 201.67 sqm
Apartment including private garden: 71.01 - 95.01 sqm
Expected Completion: By Q3/2020
No. of Unit: 3175 units, 12 blocks
No. of Storey: 33 - 34
Facilities: Swimming pool, Tennis court, Gym, Park, Shopping Mall, Outdoor cinema, Kid Playground, outdoor BBQ, Sunbathing Deck, Fresh vegetable garden.
Furnishing condition: Fully furnished with smart security system.
Legal Ownership: Freehold for Vietnamese, 50 years for foreigners.

Empire City:

Empire City is a 14.5-hectare complex development with prime and waterfront location in Thu Thiem New Urban Area. The project features an 86-storey building, a five-star hotel, a shopping mall, office buildings, high-end apartments and shop houses. Empire City is developed as a city-within-city.

Developer: Tien Phuoc Real Estate JSC, Keppel Land (Singapore), Gaw Capital Partners (Hong Kong) & Tran Thai Real Estate Co. Ltd
Property Name: Empire City
Property Type: Mixed-use development
Location: Functional Area 2 (Area 2B) Thu Thiem New Urban Township, Thu Thiem Ward, D.2, HCMC, along Mai Chi Tho Street and the Saigon River, connected to D.7, D.1, D.9, and D.Binh Thanh
Price: From US$ 2,800/sqm
Land Area: 14.6 hectares
Status: Under Construction
Unit size:
- 1 Bedroom: 50 – 60 sqm
- 2 Bedroom: 90 – 100 sqm
- 3 Bedroom: 120 – 150 sqm
- 4 Bedroom: 160 – 170 sqm
- Duplex: 160 sqm
- Penthouse: 300 sqm

Expected Completion: By Q2/2020 (Linden Residences)
No. of Unit: Total: 3,700 units, first launch: 500 units
Facilities: Swimming pool & deck with sun lounges Garden lounges, sitting area, Indoor & outdoor children's playgrounds, BBQ pavilions, Outdoor fitness corner, Tennis court, Jogging track, etc.
Parking Space: 1 car park lot per unit

Apart from the above, HCMC is witnessing large number of developments both from foreign players and local players.

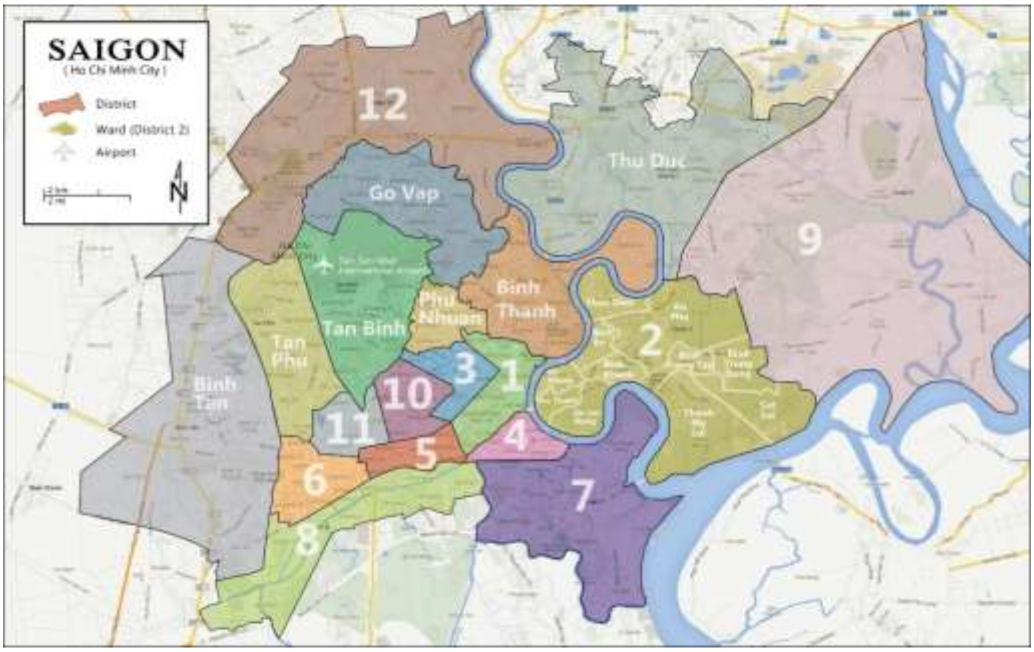
Some other developments are:

- Property developer CapitaLand released its D1MENSION project, located on Vo Van Kiet Street in District 1. Luxury apartments in this project are listed at $4,000 per sqm.
- In District 4, Trung Thuy Group has developing Lancaster Residences D4 on Ton That Thuyet Street.
- Downtown HCMC is also expected to see new developments. The Nexus developed by Refico is a new development/project. This project comprises three 40-floor blocks and is located on Le Loi Street in District 1.
- Major property developers such as Novaland, Phat Dat, Him Lam and C.T Group also announced their new key projects in District 1 and District 3. Two of the most outstanding projects are Madison (Thi Sach Street) and Saigon Me Linh Tower (Hai Ba Trung Street).
- Luxury apartments are expected to bring high profit to buy-to-rent investors – especially foreign investors and wealthy Vietnamese. In the downtown area, the lowest rent for this segment is $25 per sqm per month. Wealthy tenants from Japan, US, UK, Singapore and Germany are keen on renting homes in the city centre.

Outlook

Factors	Prospect	Market Outlook
New Stock	Demand driven, High supply in 2018 onward	↑
Residential Sales	Witnessing growth among most segments	↑
Residential Rental	Witnessing growth among most segments	↑
Affordable	Moderate growth, Government push	↗
Mid-level	High growth	↑
Hi-end	High growth	↑
Luxury	High growth - preferred by foreign investors	↑
Yield	Higher yield than most other regions	↗
Market Driver	Higher yield, Government support, Low cost of living, Growing disposable income, Rapid urbanization, Infrastructure growth	
Key Districts	District 1, District 2, District 9, Nha Be, Binh Chanh, Can Gio, Binh Thanh, and Thu Duc	

Indicator	2017	2018F
Demand	↑	↑
Supply	↓	↑
Occupancy Rate	↑	↑
Rental	↑	↑
Outlook	Buy	Buy

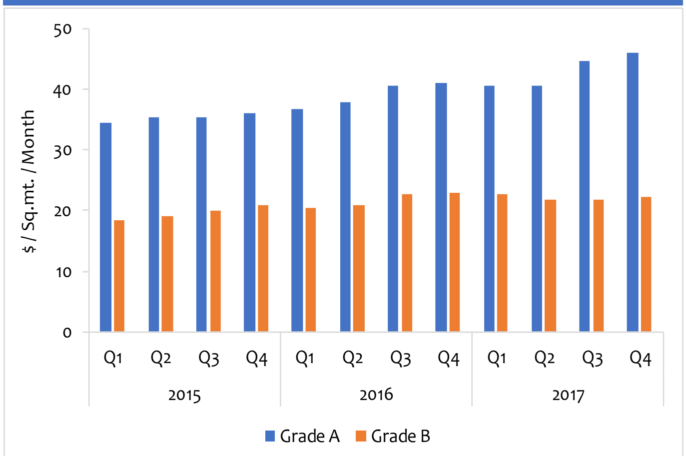


Office Market

HCMC is the economic, financial and business hub of Vietnam and as such the office market is witnessing strong growth. Office market – and especially Grade A office space – has displayed very strong growth over the years. Rents among Grade A spaces were up 11.7% y-o-y and 2.7% q-o-q, reaching an average of $45.9 per sqm/month in Q4 2017. The growth in the Grade B office space is mainly due to the spillover effect. Grade B saw an increase of nearly 2.7% q-o-q to reach $22.2 per sqm/month in Q4 2017. This spillover effect also indicates the growing demand of office spaces in HCMC – indicating a positive opportunity of real estate players.

In the grade A segment, rental has increased from $34.5 per sqm per month in Q1 2015 to a high of $46 per sqm per month by the end of 2017.

Office Market – Grade A & Grade B – 2015-2017



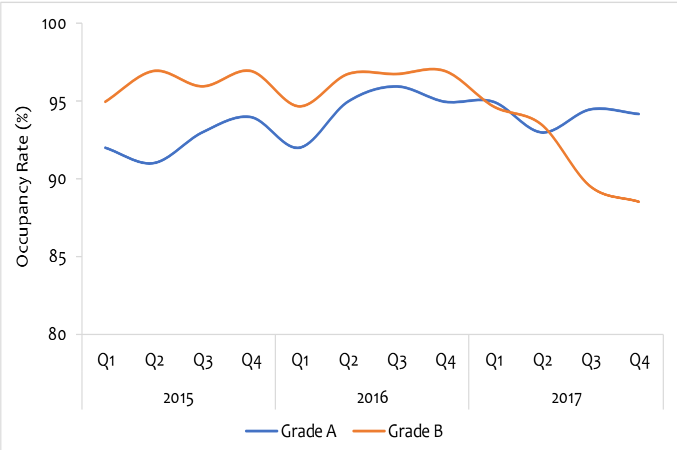
Grade A office space is clearly the favorite among companies and its high return growth, along with high stability is a huge draw for companies across industries.

The occupancy rate for Grade A and Grade B has varied considerably. Quarter by quarter analysis of occupancy rate shows Grade A to be a much stable market than Grade B. Also, while Grade B historically had a higher occupancy rate, Grade A surpassed Grade B in Q1 2017 and the trend is still continuing.

Higher return from Grade A, coupled with factors such as increasing presence of large global players and growing supply (of Grade A) are the key reasons for a high occupancy rate of Grade A.

This high occupancy rate of Grade A office makes it an ideal investment opportunity for real estate players.

Office Occupancy – Grade A & Grade B – 2015-2017



HCMC has continued to be the top choice for companies in banking, services and process outsourcing industry with significant rise in office space take-up. The city has several advantages such as a growing and reliable workforce, upcoming infrastructure, improving educational and healthcare facilities – all of which are providing strong boost to the job market and hence increasing the uptake of office space – especially buildings located in outskirt districts, facilitating more widen and faster decentralization trend in the coming years.

HCMC is also witnessing newer trends such as serviced office and co-working space, which has further bolstered the demand for office space.

Historical Analysis Shows High Stability

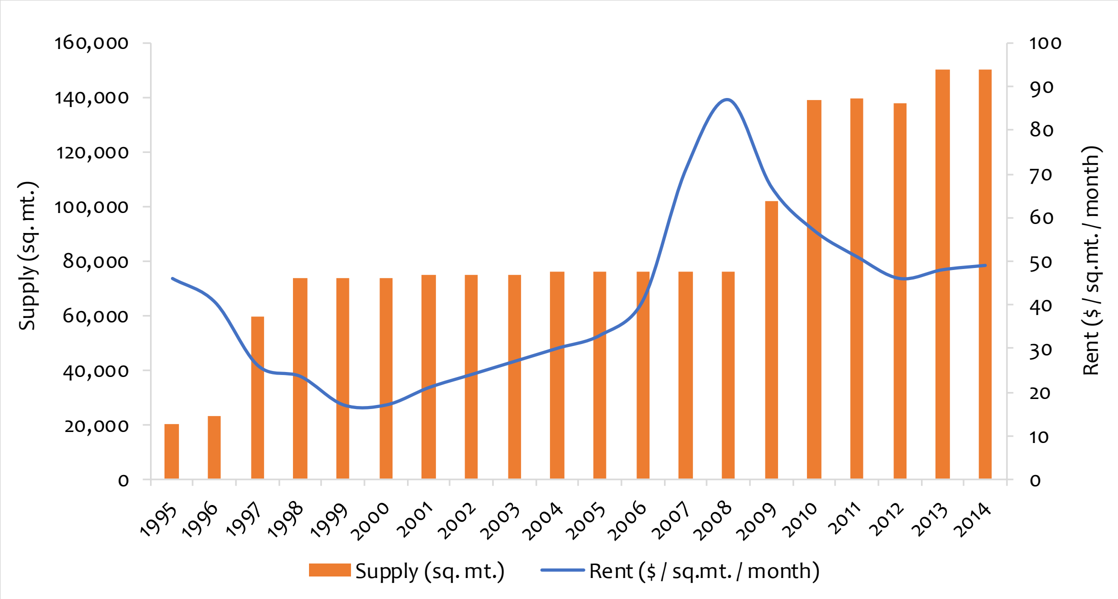
Historical analysis of supply and rental shows supply has increase over the years. The market is demand driven and opening up of Vietnam's economy has facilitated the entrance of large number of global players. This in turn has driven the need for office space – initially in the CBD, which now has spread to other parts of HCMC.

Supply and rental analysis from 1995 to 2014 shows the market has moved in a similar pattern as the residential real estate market. The market saw a strong rental growth in 2006-2007 as result of strong inflow of direct and indirect investment (due to Vietnam's joining of WTO), and in 2008-2009 saw a sharp decrease in prices following the global financial crisis.

Apart from these movements, the market has remained highly stable and movement/ cycle has been largely predictable.

Apart from banking (BFSI), healthy economic growth is expected to encourage tenants from sectors such as IT, Logistics, etc. to be bolder with their relocation and expansion plans to better and newer buildings. This trend of relocation to better quality space would also further support rental growth prospects.

Office Market – Supply and Rental – 1995-2014



Outlook for Office Market Remains Positive with Focus on High Quality Buildings in Fringe CBD and Outer Areas

The outlook for office market is positive and an estimated 500,000 sqm of new Grade A office space in prime locations of the CBD is likely to hit the market by the year 2020. Rental rates are expected to remain high and the market highly favours landlords. The office market is expected to see a projected rental growth rate of 2% per annum in 2018F –2020F period. The main driver for the same would be the demand for quality supply despite the already high baseline for both Grade A and Grade B.

For example, Deutsches Haus, the modern 27-story Grade A energy-efficient office building in CBD that opened in September, is already at 60% occupancy despite asking the highest rents at $55 per square meter per month. This could further go upwards, and according to Peter Dinning, chairman of Colliers International (Vietnam) “If demand continues to grow, that $55 per square meter per month could be US$65 per sqm by the end of the year (2018) and could be $75 per sqm by 2019”.

New development of high quality buildings such as Deutsches Haus – U.S LEED premium certified green building are likely to attract leading conglomerates and multinational corporations better as they provide a premium working environment. The future for the office market is expected to be high quality certified buildings that offer premium working environment along with host of other advantages.

Apart from development in CBD, future lack of available land in CBD means the focus will continue to shift towards fringe CBD and outer areas.

One key example is the plan to progress Phase 2 of the Viettel Complex in District 10 following the success of Phase 1. Additonally, the first Grade B office building in the Thu ThiemNew Urban Area - ThacoBuilding, offering 7,000 sqm NLA, is likely to set a trend for new office developments in the area.

Infrastructure Development, FDI Flow, Strong Economic Improvement are the Key Favorable Factors

The key favourable factors supporting the improving performance of office market are:

- Strong economic growth (GDP growth, which is higher than many other regions in Asia).
- Infrastructure development (government's continued focus on infrastructure development, along with metro has helped build investor confidence).
- FDI flow (opening up of the economy, along with favourable government regulations has increased FDI flow).

These drivers are expected to have a stronger impact in 2018 onward and hence will provide the required boost to the office market – especially the Grade A segment.

The shortage of supply (which results in higher rent) and a growing demand for office space is attracting more developers – including foreign developers. Over the past 24 months HCMC office market has seen a huge influx of people starting to look again from Japan, Korea and Singapore.

Outlook

Factors	Prospect	Market Outlook
New Stock	Moderate supply, Grade B higher supply in 2018	↗
Sales	High demand, low supply will drive sales	↑
Rental	Continued rental growth, Favorable	↑
Grade A	Moderately high rental growth	↑
Grade B	Moderate growth due to spillover	↑
Key Sectors	Banking (and BFSI), IT, Logistics, Outsourcing	
Key Areas	CBD, Fringe CBD, Outer areas	
Key Focus	High-quality buildings expected to draw large companies in future - higher rental	
Market Driver	Economic growth, strong developing infrastructure, FDI flow, Lower supply (results in higher rental)	

Indicator	2017	2018F
Demand	↑	↑
Supply	↔	↔
Occupancy Rate	↔	↑
Rental	↑	↑
Outlook	Buy	Buy

Name	Year	Address	Area (sq.m)	Service Charges	Occupancy Rate	Average Net Asking Rent
A&B Tower	2010	76 Le Lai	17,120.0	6.5	100.0%	36.0
Bao Viet Tower	2010	233 Dong Khoi	10,650.0	5.0	100.0%	28.0
Green Power Tower	2010	35 Ton Duc Thang	15,600.0	6.0	95.8%	28.0
Maritime Bank Tower	2010	192 Nguyen Cong Tru	19,596.0	5.0	95.8%	22.9
Saigon Royal	2010	91 Pasteur	5,340.0	6.0	100.0%	23.0
Vincom Center	2010	68-70-72 Le Thanh Ton	56,600.0	5.0	97.2%	25.0
Bitexco Financial Tower	2010	45 Ngo Duc Ke	37,710.0	7.0	95.4%	44.3
Empress Tower	2012	138 Hai Ba Trung	19,538.0	6.0	100.0%	27.0
President Place	2012	93 Nguyen Du	8,330.0	7.0	97.2%	36.0
Times Square	2012	22-36 Nguyen Hue	12,704.0	7.0	97.5%	53.3
Lim Tower	2013	9-11 Ton Duc Thang	22,000.0	6.0	100.0%	28.0
MB Sunny Tower	2013	259 Tran Hung Dao, Co Giang	13,200.0	5.5	94.5%	24.0
Le Meridien	2013	3C Ton Duc Thang	9,125.0	6.0	98.6%	33.0
Vietcombank Tower	2015	5 Me Linh Square	41,250.0	7.0	99.3%	38.0
Deutsches Haus	2017	33 Le Duan	25,062.0	7.0	80.0%	55.0
Etown Central	2017	11 Doan Van Bo	33,258.0	5.0	40.0%	23.0

Industrial Real Estate Market

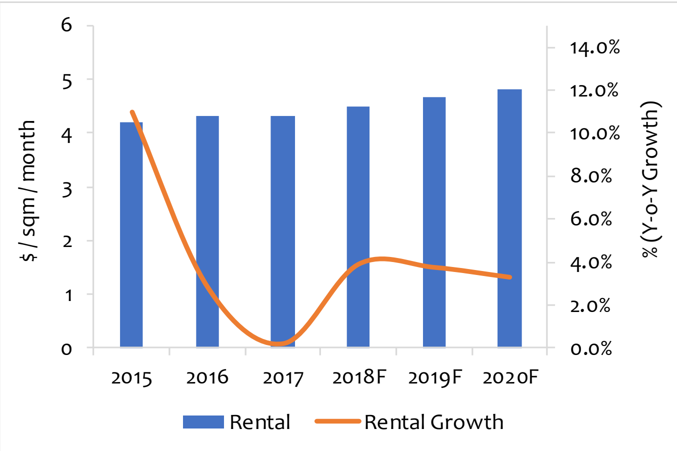
The Southern region, which includes HCMC and its surrounding areas is a leading cluster and hub of Vietnamese industrial market. This area has large ports, both sea and inland, as well as international airports and a system of well-developed highways connecting the provinces. Additionally, the strategic location of being closer to regional logistics hubs such as Hong Kong has made the Southern region the preferred location.

Strong Rental Growth Forecast – Higher than the Northern Region

In the overall Southern region, rental rates are projected to increase to 3.9% in 2018 and 3.8% in 2019 and 3.3% in 2020 – indicating a very strong industrial market and opportunities for real estate players. This is a strong development considering 2017 was a rather weak year and rental growth was marginal.

The Southern area is expected to achieve higher rental growth than the rest of the countries mainly due to strong demand from retailers, third-party logistics (3PLs) and manufacturers as well as supplies which come to the market from Gemadept, Saigon Newport and Saigon Depot.

Industrial Market – Rental and Rental Growth till 2020



Rental in the Southern area (in and around HCMC) is expected to be higher than the Northern area (in and around Ha Noi) by around $3 per sqm per month. Similarly, rental growth is also expected to see a stronger increase in Southern area, and hence Southern area will continue to present better opportunity to the real estate players as well as investors.

Higher Exports and Better Infrastructure Supports Stronger Growth

The main driver for the Southern area is the presence of sea ports and better infrastructure. The southern area – in and around HCMC – has a much better and developed infrastructure comprising of international airport, well-developed highways and sea ports. This developed infrastructure has led to strong preference among local and international industrial companies.

These airports and seaports together accounted for 16% of Vietnam's export volume in 2017. This has led to high demand for warehouses, factories and industrial land from foreign investors. The increases in E-Commerce and local consumption for FMCG are key demand drivers

Other important location around HCMC are:

- Binh Duong, which focuses towards high tech and sustainable industries. This region, which is immediately to HCMC's north has a reasonable supply and competitive rents, and hence is attractive to conventional industries such as garments and FMCG.
- Dong Nai's key key driver is infrastructure improvement. The HCMC -Long Thanh –Dau Giayhighway and Long Thanh airport are key projects that will attract investors to Dong Nai province. This province is attractive to furniture manufacturing and agriculture products.
- Long An's main advantage is low labor costs. Along with that, proximity to waterways and HCMC are key strengths of this province. However, uncompleted infrastructure projects are a draw back and turns investors away. Despite this, this province has the presence of conventional industries such as garments, FMCG and agriculture products.

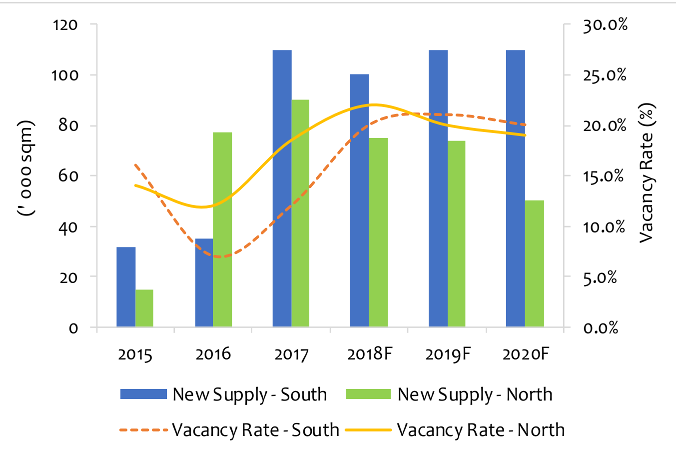
Higher New Supply Indicates Opportunity for New Companies

HCMC had a higher new supply than the Northern region in 2015 and 2017, and had a lower vacancy rate. This situation is expected to change slightly in the coming years. It is expected that the Southern region, including HCMC, will have a steady flow of new supply while Northern region will see a decline in supply. This obviously indicates a growing demand in the Southern region and hence more opportunities for real estate developers and investors.

The Southern region is expected to see a marginally higher vacancy rate than the Northern region – possible because of a higher supply than demand. This is expected to have a slight impact on the rent and unless demand increases, rental growth may get affected. Although rents will remain higher than the Northern region, rental growth will be sluggish and hence will post challenge to the growth of the region.

However, several factors such as government initiatives, further developing infrastructure, strong growing economy, etc. will help revive the situation will increasing presence of companies – and hence bettering the rental growth rate in the coming years.

Industrial Market – Southern vs. Northern Region



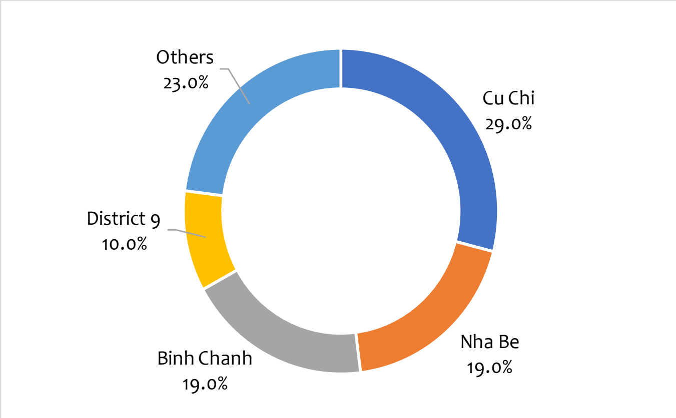
As seen in the chart above, declining supply in the Northern region is expected to be one of the biggest advantage for the Southern region and will see companies migrating to this region in search of new and larger spaces.

Supply is Spread Across Various Districts Indicating Strong Availability and Demand

In HCMC, the demand for industrial space is spread across various districts and accordingly the supply is spread throughout. Cu Chi District was the largest supplier in 2017 with 862.9 hectares, accounting for more than 29% of the market share, followed by Binh Chanh and Nha Be districts.

Other districts with presence of industrial zones or parks are District 2, District 7, District 12, Tan Phu, and Thu Duc.

Industrial Market – Key Districts in HCMC



The presence of large number of industrial zones and parks in HCMC and around is a key positive indicator of the regions supply and demand scenario.

Additionally, anticipating the high demand, new supply is expected to come in – which will provide enough space for industries in pipeline boosting the growth.

Approximately 2,300 hectares from eight new industrial parks is expected to join the market by 2025, an increase of more than 50% compared to the current stock. Additionally, these new parks will mostly be high-quality facilities which will result in a higher occupancy rate and hence rise in rental.

Government Support is a Key Driver for HCMC

A very important driver for the HCMC's industrial market is continued and growing government support. The City Government continues to offer incentives for development in supporting industry in particular and promote industrial development in a comprehensive and sustainable manner.

- Recently, Department of Science and Technology built a synchronous data system of enterprises in supporting industries, including foreign companies in order to help them easily associate and transfer technology.
- Similarly, Ho Chi Minh Export Processing and Industrial Zones Authority (HEPZA) also spends more than 200 hectares of land in

Hiep Phuoc and Le Minh Xuan 3 Industrial Parks to build a specialized supporting industrial zone with various incentives to attract investors.

These supporting steps are expected to result in strong growth of the industrial real estate market in HCMC in the coming years.

Future supply of industrial parks in HCMC:

Industrial Park	District	Area (ha)
Le Minh Xuan Industrial Park - phase 2	Binh Chanh	338.0
Le Minh Xuan Industrial Park - phase 3	Binh Chanh	242.0
Vinh Loc I - phase 2	Binh Chanh	56.0
Vinh Loc I - phase 3	Binh Chanh	200.0
Vinh Loc Industrial Park III	Binh Chanh	210.3
Tay Bac Cu Chi Industrial Park - phase 2	Cu Chi	173.0
Hiep Phuoc Industrial Park - phase 3	Nha Be	1,000.0
Phong Phu Industrial Park	Binh Chanh	148.4

Outlook

Factors	Prospect	Market Outlook
New Stock	High supply - significantly higher than Northern region	↑
Sales	Sales growth due to demand growth from various end users	↑
Rental	Higher rental growth than Northern region	↑
Key Opportunities	High supply continues. High demand due to setting up of new industrial parks - which presents opportunity for new players	
Key Districts	Cu Chi: Largest supply of new stock Nha Be: Second largest supply of new stock Binh Chanh: Strong supply of new stock, high asking rent Binh Tan and Tan Phu: High asking rent District 7: High asking rent, closest to CBD	
Market Driver	Government support for industries, slower growth in Northern area, strong infrastructure development	

Indicator	2017	2018F
Demand	↔	↑
Supply	↑	↑
Occupancy Rate	↔	↔
Rental	↔	↑
Outlook	Buy	Buy

Commercial Real Estate Market

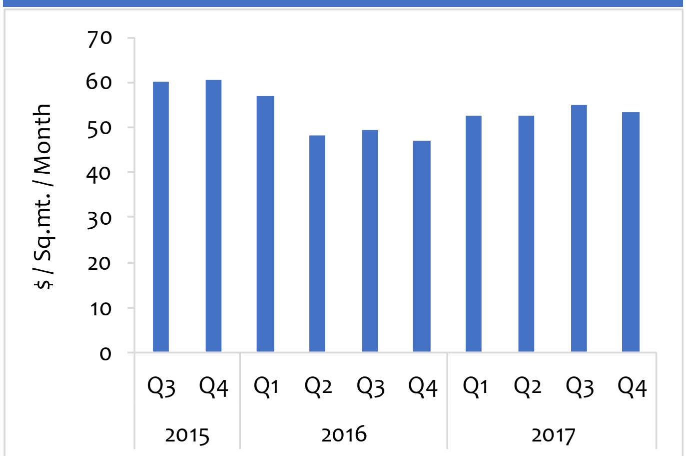
Although the retail real estate market in HCMC has witnessed ups and downs in the past, it is considered stable compared to other cities in Vietnam and hence is a highly desirable market.

The market sees a lathe number factors supporting he retail sales and rental growth such as:

- Urbanization and increase in disposable income.
- Entrance of foreign brands in the lifestyle space – prompting increase in purchase.
- Improving economy and a growing job market in HCMC.
- Increase in FDI in various sectors leading to more setup of shops, commercial centers and malls.
- Growing tourism market, which also leading to increase in demand for high-end consumer and lifestyle products.

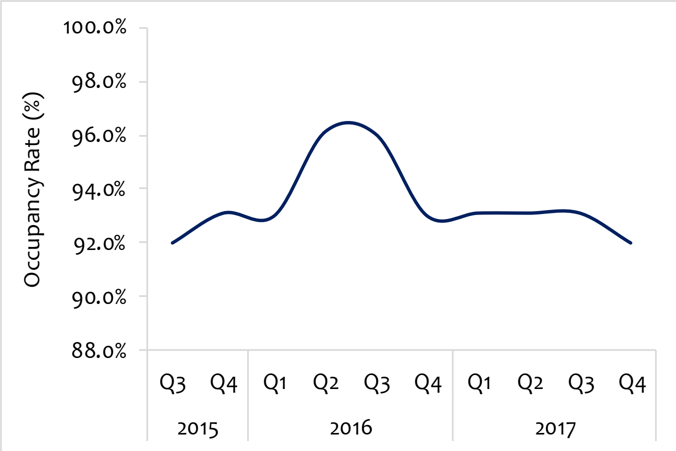
The new entrance of food and beverage, and high-end fashion brands in HCMC has led to positive demand for retail real estate and hence market is witnessing an upward swing. The average asking rent in the CBD area (ground floor) in Q4 2017 stabilized at around $110/ sq. meter/ month while a slight decrease of rental rate in the non-CBD at 0.1% q-o-q, averaged at $35-39/sq. meter/month. In 2017, the rental rate of the CBD area went up to 2% y-o-y whereas the non-CBD's rate decreased 3.5% y-o-y. The increase in rental rate in CBD area can be explained by low new supply and the on-going renovated Union Square which increase the scarcity in prime location. The occupancy rate witnessed the positive outcome with fully occupied CBD area and around 84% in non-CBD's area.

Retail Market – Asking Rent – 2015-2017



Overall, asking rent has remained stable and considering both CBD and non-CBD, change in asking rent is insignificant. However, more importantly, the asking rent in HCMC has shown high stability – a criteria highly valued by investors and real estate developers.

Retail Market – Occupancy Rate – 2015-2017



Relatively low retail sale per capita and strong competition among foreign and local retailers is creating big potential for Vietnam retail market's growth and in turn is increasing growth opportunity for real estate players.

The retail trade market in Vietnam is expected to see strong growth in the coming years, which will be a big boost to the retail real estate market. During the 2016-2020 period, Vietnam's retail trade growth is expected to reach about 11.9%/year with a market size of about $179 billion by 2020. The market is also witnessing entrance of new players along with opening of new stores by existing players.

For example, GS25 has plans to open 2,500 stores in the next 10 years; Japanese 7-Eleven plans to open 100 stores in the next three years and 1,000 within 10 years. Toromart, the first unmanned convenience store with QR code technology payment, plans to open 200 new stores by the end of 2018. Local retailers Vinmart+, Saigon Co-op also have plans for nationwide expansion.

Outlook Remains Highly Positive with Limited New Stock Additions

The outlook for the retail real estate market remains highly positive. Several factors such as inflow of FDI, rising household spending, and improving economic conditions are supporting the positive outlook of the retail market. HCMC continues to be the economic, business and retail hub of Vietnam and the long pipeline of projects surely makes this an attractive market for real estate players.

Limited supply in the coming years will further increase demand for the vacant retail spaces and any available space is expected to be filled up quickly. This also presents opportunity for a strong rental market – even high rental retail spaces are expected to be filled up without much delay.

All these points towards a very positive retail real estate market in HCMC and presents enough growth opportunity for newer real estate players and investors.

CBD as well as Non-CBD Areas (Including District 2, District 9 and Binh Thanh District) Offers Strong Opportunity

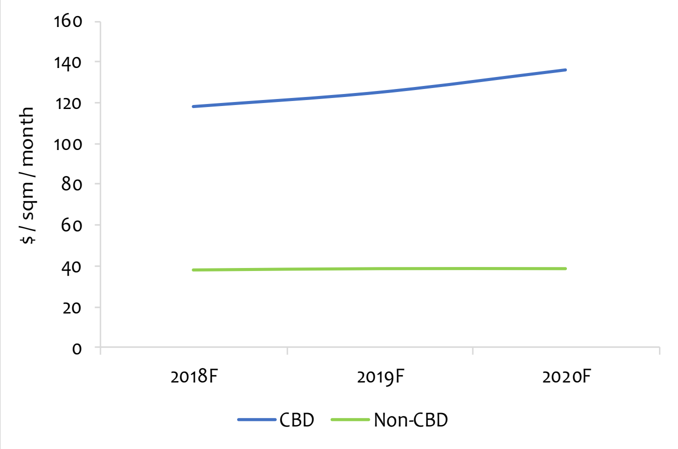
2018-2020 is expected to see strong addition of retail space. Significant amount of development is expected to take place in the non-CBD areas due to availability of large space – which is preferred by most large retailers and brands.

Also, some areas such as District 2, District 9 and Binh Thanh District will see large number of developments due to their gradual established as new residential clusters. These districts are likely to see developments of large scale retail and commercial development and hence will present new opportunity for real estate developers and builders.

Occupancy rate, rental rate as well as sales are expected to see upward trend in the coming years – presenting growth opportunity to investors as well as real estate developers.

Although non-CBD areas will see strong additions of retail space and expected growth, during the 2018-2020 period – CBD is expected to see strong growth in retail rental market. The key reason for the same will be continued occupancy of the remaining retail space that are yet to be filled up. Also, strong retail sales of companies (retailers) in the CBD area will fuel the entrance of new retailers, who are initially expected to look for space in CBD – further fuelling the rental market growth.

Retail Market – Rental Forecast – 2018F-2020F



The above rental forecast shows that rental market in CBD is expected to see a strong growth of around 7% from 2018 to 2020, while non-CBD will see a growth of only around 1.3%.

However, non-CBD will continue to be an attractive destination and its future prospect can not be ruled out. Non-CBD will see strong growth post 2020 onward mainly due to reasons such as:

- Establishment of residential townships.
- Preference for large retail space, which are available in non-CBD areas only.
- Growing demand for non-CBD areas due to space crunch and no future availability of space in CBD areas.
- Promotion and government initiatives.

Opportunity for New Developers and Investors

High demand yet limited supply has opened up retail development opportunity for new and existing real estate developers. However, due to lack of space in CBD, new developers are expected to focus on non-CBD areas that are expected to see strong growth in the future. Along with non-CBD areas, particular focus should be on residential township development areas – with focus on malls and very large retail space.

Retail opportunities are expected to come from healthcare, food & beverages, lifestyle (including high-end fashion), and convenience stores. Hence, any specific requirement or customization for these retailers will be an added advantage. Additionally, e-commerce is another sector that is expected to see strong growth in HCMC.

Outlook

Factors	Prospect	Market Outlook
New Stock	Low stock initially followed by new developments	↔
Sales	High demand, low supply will drive sales in CBD and non-CBD	↑
Rental	High rental growth in CBD, high growth in non-CBD post 2020	↑
CBD	High rental and sales	↑
Non-CBD	Moderate rental, high sales	↗
Key Opportunities	High demand yet limited supply presents opportunity for new real estate players	
Key Focus	CBD for near-term rental growth, non-CBD for long-term growth	
Market Driver	Growing consumer confidence index, retail development index, increase in spending power, urbanization, government support	

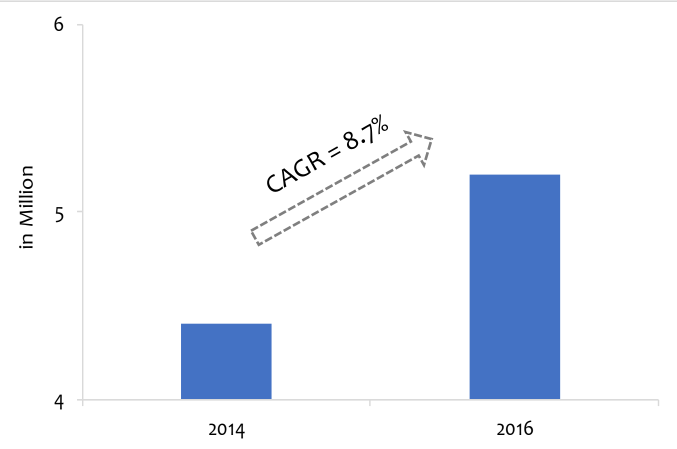
Indicator	2017	2018F
Demand	↑	↑
Supply	↔	↔
Occupancy Rate	↑	↑
Rental	↑	↑
Outlook	Buy	Buy

Name of Project/ Building	Year	Address	Area (sq.m)	Location	Project Type	Occupancy Rate	Average Asking Rent
Parkson Flemington	2010	Le Dai Hanh	26,000.0	District 11	Department Store	92.0%	37.0
Vincom Center B	2010	72 Le Thanh Ton	45,000.0	District 1	Shopping Center	93.0%	102.0
Vincom Plaza 3/2	2010	3C Ba Thang Hai	25,000.0	District 10	Shopping Center	95.0%	42.0
Lotte Mart Phu Tho	2010	968 Ba Thang Hai	24,500.0	District 11	Shopping Center	99.0%	40.0
Crescent Mall	2011	101 Ton Dat Tien	45,000.0	District 7	Shopping Center	85.0%	44.0
Taka Plaza	2011	102 Nam Ky Khoi Nghia	1,000.0	District 1	Shopping Center	100.0%	-
Satra Pham Hung	2011	C6/27 Pham Hung	11,528.0	District 8	Shopping Center	87.0%	19.0
Saigon Pearl	2011	92 Nguyen Huu Canh	5,000.0	Binh Thanh	Retail Podium	88.0%	27.0
The Manor 2	2011	91 Nguyen Huu Canh	2,500.0	Binh Thanh	Retail Podium	100.0%	22.0
The Oxygen Mall	2011	An Phu Ward	5,000.0	District 2	Retail Podium	90.0%	30.0
Rex Arcade	2011	141 Nguyen Hue	2,000.0	District 1	Retail Podium	100.0%	130.0
ICON 68 @ BFT	2011	45 Ngo Duc Ke	8,000.0	District 1	Retail Podium	95.0%	90.0
Union Square	2012	171 Dong Khoi	38,000.0	District 1	Shopping Center	-	-
Saigon Airport Plaza	2013	1 Bach Dang, Ward 2	7,623.0	Tan Binh	Retail Podium	92.0%	22.0
Imperia An Phu	2013	An Phu Ward	2,940.0	District 2	Retail Podium	100.0%	15.0
President Place	2013	93 Nguyen Du	800.0	District 1	Retail Podium	98.0%	42.0
Times Square	2013	22-36 Nguyen Hue	9,000.0	District 1	Retail Podium	100.0%	300.0
Parkson Cantavil Premier	2013	Cantavil Premier	17,815.0	District 2	Department Store	96.0%	33.0
Sunrise City - phase 1	2014	23-25-27 Nguyen Huu Tho	3,500.0	District 7	Retail Podium	100.0%	35.0
Pearl Center	2015	12 Quoc Huong	24,000.0	District 2	Retail Podium	81.0%	32.0
Thuan Kieu Plaza	2017	190 Hong Bang	24,000.0	District 5	Retail Podium	90.0%	35.0
RomeA	2017	117 Nguyen Dinh Chieu	12,000.0	District 3	Department Store	80.0%	80.0
Su Van Hanh Mall	2018	-	96,152.0	District 10	-	-	-
Union Square	2018	-	48,000.0	District 1	-	-	-
Vinhomes Central Park	2018	-	57,760.0	Binh Thanh	-	-	-
Estella Place	2018	-	32,500.0	District 2	-	-	-
Sala Shopping Center	2019	-	60,054.0	District 2	-	-	-
The Spirit of Saigon	2019	-	35,000.0	District 1	-	-	-
Elite Mall	2019	-	42,000.0	District 8	-	-	-

Hospitality Industry and Corresponding Real Estate Market

HCMC is the business and tourism hub of Vietnam and hence has a well-developed hotel and hospitality market. HCMC is drawing an increasing number of tourist over the years. It is estimated that in 2007, HCMC accounted for 70% of all tourists in Vietnam – a percentage which has increased over the years. HCMC witnessed 5.2 million foreign tourists in 2016, making it the first ever locality in Vietnam to cross 5 million overseas visitors nationwide. Also, this was an increase of 8.7% (CAGR) from 4.4 million tourists HCMC observed in 2014. The city has been working on a number of new tourism products, including medical tourism and craft trading streets, which is further expected to boost the tourism market.

HCMC Tourism Growth – 2014-2016



District 1, which has the CBD, is the hub of HCMC and includes all of the city's five-star hotels, including the Intercontinental and renowned The Reverie Saigon on the top floors of the landmark Times Square building. District 1also has the city's luxury shopping malls, featuring international brands such as Gucci, Louis Vuitton, and Chanel.

Infrastructure Development a Major Boost to the Tourism and Hotel Market in HCMC

The $2.5 billion mass transit rail system, called the Saigon Metro, expected to be running by 2020; and a new urban zone extending the central business district (CBD) along the Saigon River, scheduled for completion by 2025 – are further expected to boost the business and tourism market in HCMC.

Tan Son Nhat Airport, which is the busiest airport in Vietnam (with 32.5 million passengers in 2016) is planning to increase its capacity to 43 million passengers. More direct flights from Russia, Hong Kong, South Korea and the U.S. are in pipeline. All of these is expected to give rise to a strong demand for hotels – a mix of four and five-stars as well as budget hotels.

Further, with increase in FDI in HCMC, the number of business travellers has increased over the years, which is leading to a growing demand for four to five-star hotels.

High Supply Indicates Strong Expected Flow of Tourism and Hence High Demand

HCMC has the highest supply of hotel rooms, which is increasing at a strong rate. The market is demand driven and both leisure and business travels are increasing in HCMC. HCMC had approximately 16,000 three- to five-star rooms, which is 70% more than Hanoi.

Over the next three years, Ho Chi Minh City expects 3,500 new rooms, a 22% increase. The demand driven nature of the region, coupled with continuous flow of high net worth and business travellers has increased the hotel room rent over the years.

Fear of Oversupply May Bring Down Prices

However, HCMC's hotel and hospitality industry also suffer from the oversupply issue.

In Q1 2016, average hotel price fell to about VND 1.8 million (approximately $81) per night after guest numbers dropped by one to two percent in the same quarter (Q1 2016). More rooms and less guests forced many hotels in HCM City to cut their prices by around 5% in an attempt to attract more visitors in the first quarter of 2016. The main reason for the same was the opening of a number of new three star hotels that lifted the number of rooms available in that segment and above to 15,000, which was 14% higher than Q1 2015.

Even in the peak season of tourism – which is Q1 and Q4, the room price growth remained flat due to the oversupply issue.

Oversupply, coupled with continued vacancy rate may point towards a worrying situation and lower opportunity for real estate players and investors in the HCMC hotel and hospitality market.

SWOT Analysis

The hotel and hospitality real estate market in Vietnam offers strong growth opportunity for real estate developers as well as investors. However, the market has its own set of challenges – the most important of which is its current high supply coupled with continued vacancy rate. This presents a somewhat lower opportunity for any new entrant. The market already saw a slump in hotel price growth due to oversupply in Q1 2016 and this is not an expected to be one-off event. Hence, new developers and investors are expected to proceed with caution as returns might be less than other real estate segments.

Outlook

Factors	Prospect	Market Outlook
New Stock	High supply - much higher than Ha Noi	↑
Sales	Sales growth due to demand from both leisure and business travellers	↗
Rental	Flat rental growth due to oversupply	↔
Key Opportunities	Demand for 3 and 4-star hotels are higher due to business travellers. Also hotels with high end facilities may see higher demand.	
Key Threat	Oversupply is a big threat - resulted in flat rental growth in 2016 and may have same impact in future	
Outlook	Hold / Watch	↔

Strengths	Weaknesses
- HCMC is the tourism hub of Vietnam and witnesses highest footfalls - Developed infrastructure, tourism spots, and is the gateway to South Vietnam - Economic center of Vietnam and hence sees highest business visitors - Supply of new hotels with high end facilities	- Already saw a slump in 2016 due to oversupply issue - Crime remains high and is a concern especially for foreign tourists - Crowded streets, which are further becoming overcrowded are a turn off for certain tourists
Opportunities	**Threats**
- The government is developing HCMC into a medical tourism hub, which will further prpel the growth - Further development of infrastructure, including metro and airport (high capacity) will increase footfalls - Further economic development is expected to pull huge number of business visitors	- Oversupply and high vacancy may result in a very sluggish hotel price growth in future - Newer regions in Vietnam (e.g. Binh Dinh, etc.) witnessing higher interest from foreign tourists is a threat to HCMC's hotel market - Highly dependent on China and South Korea for tourism flow and any instability in these two countries will have a huge impact on HCMC's tourism revenue

Real Estate Market Growth Potential:

Overview

The real estate market is HCMC is the strongest performing market in Vietnam and offers strong growth opportunity for locals as well as foreign investors (and real estate developers).

The market has several primary positives such as high rental yield, very low volatility, and high rental and sales growth. The market is also supported by secondary factors such as economic growth, infrastructure growth, government support, disposable income growth, etc.

Primary Factors	Factor Strength
Rental Yield	High
Sales Growth	Moderate-high
Rental Growth	Moderate-high
Low Volatility	High
Secondary Factors	Factor Strength
Government Support	High
HCMC Economic Growth	High
Per Capita Income Growth	High
Infrastructure Growth	High
IIP Growth	Moderate-high

Historically, the HCMC real estate market has shown a higher stability than both Vietnam and Ha Noi and hence has a much lower standard deviation. In the international context, the HCMC real estate market has higher local investors than other markets such as Singapore, Hong Kong, Shanghai, etc. and hence is less dependent on international events and triggers.

Although the market had a strong negative impact of the 2008-09 financial crisis, it recovered quickly and by 2010 (and onward), the market was on the path to recovery. Historical data shows post the huge drop in 2008-09, apartment prices stabilized in 2010 and witnessed increase since 2013. Office market has also shown similar trend, with price ($ / sqm / month) increasing since 2013 onward. The industrial market and the retail/commercial market also presents positive outlook, with both expected to witness significant growth in the coming years.

Government Support

The government's decision to open up of the real estate market to foreign investors has led to a huge boom of the property market in HCMC. The government decided to open up the market in 2015 and accordingly, now developers can now sell 30% of units in each building to foreigners. The types of property the 2015 laws enable foreigners to own include apartments, villas, and townhouses, as long as they are part of a development project. Foreigners, like locals, have the right to lease, trade, inherit, and sell their properties.

The Ho Chi Minh City Real Estate Association estimated that post this decision, around 700 foreigners bought property in the city (from July 2015 to the end of Q1 2017). This is expected to have seen a stronger growth in rest of 2017 and the trend is expected to continue. Further, given that residential real estate accounts for around 80-85% of HCMC real estate market, this law is expected to prove a strong boost to the overall HCMC real estate market.

This regulatory freedom in HCMC also coincides with skyrocketing prices in some countries (such as China, Honk Kong) and tougher regulations for foreigners in some countries (such as Australia) – which has led to a strong inflow of foreign buyers from countries such as China, Hong Kong, Taiwan, and Japan – who earlier preferred countries such as China, Hong Kong and Australia.

However, foreign investors not only look at yield, but also look at easy exit route. Certain countries such as Thailand offers a very easy investment climate for foreigners and have easy entry exit rules. Vietnam on the other hand has just opened up and is yet to prove how free it is in terms of exit rules.

Owning a property in HCMC is relatively easy and a prospective buyer need not be a resident. Simply having a tourist visa is enough to buy a property and hence is highly attractive for those who are looking at properties for investment purpose.

Infrastructure Growth

One of the key factor supporting the strong growth of the real estate market in HCMC is infrastructure growth.

HCMC has a long pipeline of development projects, including mass transit system, metro system and expansion of Tan Son Nhat International Airport – that are expected to strengthen the economic climate of HCMC. Further, according to Bui Xuan Cuong, director of the HCMC Department of Transport, the city is expected to be allowed to use proceeds from capital divestments from HCMC-owned enterprises or 50% of revenues from transport fees and penalties for traffic violations to invest in infrastructure projects – which will further provide funds for developments.

Some of the key projects that are expected to benefit and speed up are:

- Urgent projects such as a road running in parallel with HCMC-Long Thanh-Dau Giay Expressway
- Binh Tien Bridge
- Nguyen Huu Tho Street expansion
- Four steel bridges on Le Van Luong Street
- Nguyen Khoai Bridge, Thu Thiem 2, 3 and 4 bridges
- Mien Dong and Mien Tay coach stations.
- Projects designed to reduce traffic congestion around Tan Son Nhat International Airport like Cong Hoa Street upgrade and Hoang Hoa Tham Street expansion
- Projects designed to reduce congestion around Cat Lai Port such as My Thuy Intersection and Ring Road No.2 upgrade

Opportunity 1: Tan Son Nhat Airport Expansion Project

The new plan for expansion of the airport is tailored to fit the guidance of Prime Minister Nguyen Xuan Phuc issued at the government's regular meeting on March 7, 2017. Accordingly, two new terminals are to be build, and including the existing terminals, the airport's designed capacity after the completion of T4 (new terminal 4) will be 43 million passengers a year.

The new plan also included a proposal to construct a new technical service area, a hangar, and an apron in front of the hangar, located on a 30-hectare area.

The airport sees 32.5 million passengers passing every day (2016 data), which however is beyond its capacity of 28 million air travellers. The passenger volume is further expected to increase by around 15% each year – indicating the growing need for expansion.

The expansion of the airport comes with planned expansion of nearby project such as Cong Hoa Street upgrade and Hoang Hoa Tham Street expansion. Also, an increase of passenger handling capacity from 32.5 million in 2016 to 43 million post completion of T4 will give rise to requirement for significant number of hotels, including 3, 4 and 5 star hotels for business travellers. Post the approval of the airport expansion plan, land prices around Long Thanh area has skyrocketed and property projects near the future expanded airport have edged up 20-30%.

Opportunity 2: Upgrading Old Buildings

Another potential opportunity for real estate developers comes in the form of the city's plans to upgrade old buildings. Upgrading old buildings and building new ones are part of HCMC's modernisation plan. At least 474 old buildings were built before 1975, and since the beginning of 2016, 1,592 households in four old buildings have been relocated for upgradation.

The city has asked the People's Committee to take charge of planning upgrades of old buildings and construction of new buildings. The committee is tasked with making decisions on relocating residents who live near canals to other areas and upgrading infrastructure.

Opportunity 3: HCMC Metro Construction

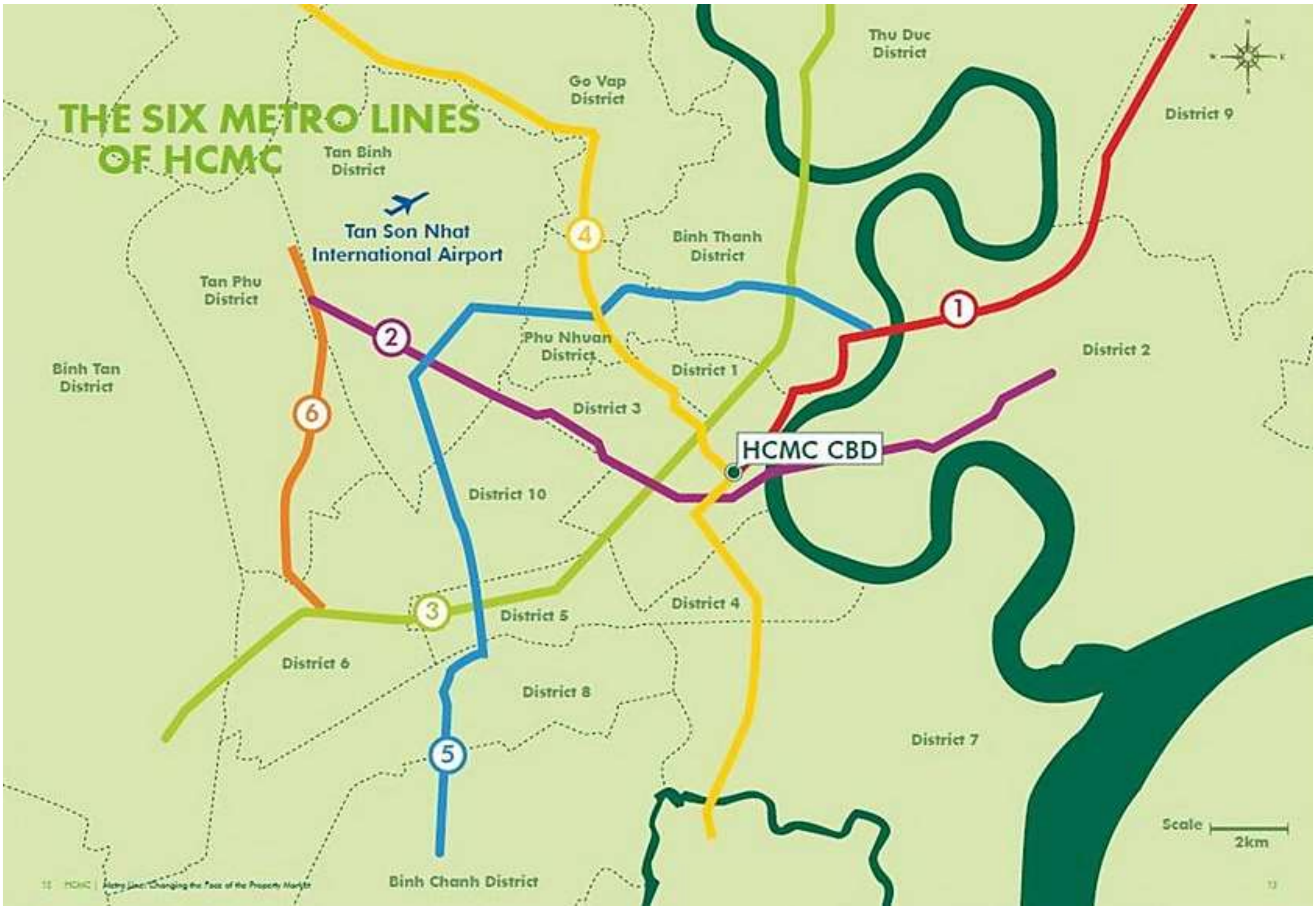
HCMC metro development is one of the key infrastructure development that is expected to result in strong property price rise in the coming years. The six planned metro lines will connect various districts, including CBD with other districts.

One of the most visible construction progress in HCMC is the construction of the city's first metro line, connecting Ben Thanh Market, the Opera House and the upscale residential neighbourhood of Thao Dien (District 2) with the Saigon Hi-tech Park in District 9.

The metro system is expected to resolve the lack of efficient public transport and shorten the travel time from other districts to the city centre by half. Accordingly, the metro line is pushing the land prices around the metro stations up exponentially, leading to real estate development boom along the first metro line in District 1, 2 and Binh Thanh District.

Similarly, other lines that are of high importance for residential development are Line 2, Line 3, Line 4. Line 5 connects to Binh Chanh, which has a high industrial asking rent and is considered a high prospect industrial real estate area/district. Line 2 is expected to have second highest priority due to connectivity to Thu Thiem.

Line	Route	Length (Km)	Districts	Importance
Line 1	Ben Thanh - Suoi Tien Park	19.7	District 1, 2, 9, Binh Thanh District	Passes through CBD; Binh Thanh is high growth residential area; District 1, 2, 9 are all residential growth areas
Line 2	Northwest Town (Cu Chi) - Tay Ninh Bus Station - Tham Luong - Ben Thanh - Thu Thiem	48.0	District 1, 2, 3, Tan Binh District	District 1, 2 are high residential development areas
Line 3A & 3B	Ben Thanh - Cong Hoa Junction - Tan Kien; Cang Hoa Junction - Thị Nghe - Binh Phuoc Junction	19.8; 12.1	Binh Tan District, District 6, 5, 1, Binh Thanh District, Thu Duc District	District 1 and Binh Thanh District are high growth residential areas
Line 4 & 4B	Thanh Xuan - Phu Nhuan Junction - Ben Thanh - Hiep Phuoc; Gia Dinh Park (Line 4) - Tan Son Nhat Airport - Lang Cha Ca (Line 5)	36.2; 5.2	Go Vap District, Phu Nhuan District, District 3, 1, 4, 7	District 7 has high industrial asking rent; Passes through CBD
Line 5	New Can Giuoc Bus Station - Bay Hien - Lang Cha Ca - Sai Gon Bridge	26.0	Binh Chanh District, District 8, 5, 10, Tan Binh District, Phu Nhuan District, Binh Thanh District	Binh Thanh is high growth residential area; Binh Chanh has high industrial asking rent
Line 6	Ba Queo Junction - Phu Lam Junction	5.6	Tan Phu District, District 6	




M1
BX. Miền Đông Mới
Suối Tiên
Công nghệ cao
Thủ Đức
Bình Thái
Phước Long
Rạch Chiếc
An Phú
Thảo Điền
Cầu Sài Gòn
Văn Thánh
Ba Son
Nhà hát
Bến Thành
M2
BX. An Sương Mới
Tân Thới Nhất
Tham Lương
Phạm Văn Bạch
Bà Quẹo
Nguyễn Hồng Đào
Đồng Đen
Bảy Hiền
Phạm Văn Hai
Lê Thị Riêng
Hòa Hưng
Dân Chủ
Tao Đàn
Mê Linh
Quảng trường Thủ Thiêm
Trần Não
Bình Khánh
Ga Thủ Thiêm
Bình Trưng
Đồng Văn Cống
M2
Cát Lái
M3
BX. Miền Tây Mới
Tân Kiên
An Lạc
CV. Phú Lâm
Phú Lâm
Cây Gõ
Chợ Lớn
Thuận Kiều
Văn Lang
An Đông
23 tháng 9
Dinh Độc Lập
Thảo Cầm Viên
Thị Nghè
Hàng Xanh
Xô Viết Nghệ Tĩnh
Bình Triệu
Hiệp Bình Phước
Tam Bình - Gò Dưa
Sóng Thần
M3
Ga Dĩ An
M4
Thuận An
Lái Thiêu
Phú Long
Thạnh Lộc
Thạnh Xuân
Xóm Mới
BV. Gò Vấp
Nguyễn Văn Lượng
Quang Trung
CV.Gia Định
Nguyễn Kiệm
Cầu Kiệu
CV.Lê Văn Tám
Hồ Con Rùa
Khánh Hội
Tân Hưng
Tân Phong
Nguyễn Văn Linh
Hồ Bán Nguyệt
Nam Sài Gòn
Phú Mỹ
M4
Nhà Bè
M5
BX. Cần Giuộc
Bình Hưng
Tạ Quang Bửu
Xóm Củi
Phú Thọ
Bách Khoa
Bắc Hải
Chợ Tân Bình
Lăng Cha Cả
Hoàng Văn Thụ
Phú Nhuận
Nguyễn Văn Đậu
Bà Chiểu
M5
Tân Sơn Nhất Terminal
M6
Quốc Lộ 1A
Bình Hưng Hòa
Sơn Kỳ
Nguyễn Sơn
Bốn Xã
Hòa Bình
Đầm Sen
Lãnh Binh Thăng
Thành Thái
Lý Thái Tổ
M6
Cộng Hòa

Prospects Along Metro Line 1:

Line 1, with a planned length of 19.7 kilometres from Ben Thanh to Suoi Tien and expected to be operational in 2020, presents the strongest opportunity for real estate developers. The line will run through Binh Thanh District, District 1, District 2, District 9 and Thu Duc District. While District 1 – which has CBD – is very expensive and hence does not have much residential prospect, District 2, Binh Thanh represents strongest residential growth prospects. Binh Thanh and District 2 are close to CBD, have high expat population, and have developed infrastructure – all of which makes for a strong residential development prospect.

For example, asking prices of high-end residential projects in District 2 increased from an average of $1,490 per sqm in 2012 to $1,650 in Q1 2015, up 11% compared to just 3% in overall HCMC.

It is believed that as the metro line comes into operation, the premium for land price on sites located within a ten-minute walk from stations could be up to between 10-20% compared to sites in other areas of HCMC.

The growth was observed in terms of new launches as well. The number of condominium units surged in areas close to stations since 2012. For the period of 2012 to 2015, the average growth in supply in District 2 was 36%, compared to just 24% in District 4-10% in District 7. It is expected that condominium supply in District 2 and District 9 will surge by at least this amount, if not more, as the metro becomes operational. The number of successful transactions also went up since 2012. The number of units sold in District 2 was as low as 329 units in 2012, which went up to 3,710 in 2015.

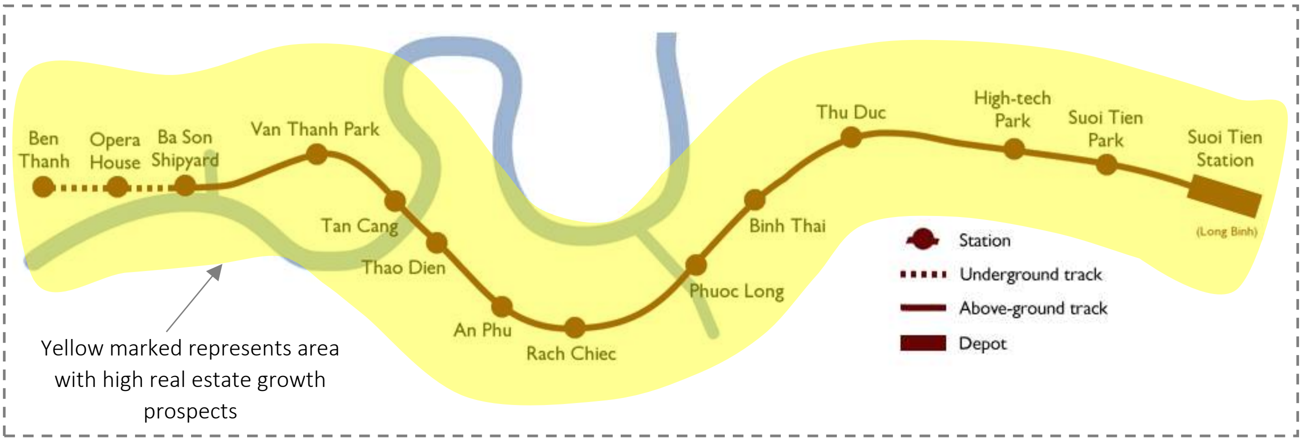
Line 1 is expected to see 186,000 riders per day, which will also open up opportunity for the retail sector attracting retailers and hence further opening up the retail real estate market.

The easy connectivity and reduced travelling time will also mean possibility to open new hotels to serve CBD customers. Lack of space in CBD will not be an issue any more as travelling time will be greatly reduced and hence business travellers would not hesitate to shift to neighbouring districts (of CBD).

A distance of 10 minute from Line 1 represents the strongest real estate growth opportunity and while this will see (and is already seeing) development of high-end real estate projects. This region will also see development of mixed-use projects that will include condos, apartments, offices, hotels, restaurants, shops, outdoor activities, educational institutions and cultural and other attractions. This will put HCMC in line with other cities such as Hong Kong, Bangkok and Singapore.

The Metro Line 1 will also connect CBD with District 9, which will also result in high number of travellers. District 9 has a range of high-tech industries. The area has Saigon High Tech Park, which is a technological research and manufacturing hub with a vision to turning it into a techno-polis in 2020. Well-known international brands such as Intel and Samsung had already set up base with more to follow in future.

Apart from District 2, District 9 and Binh Thanh, Thu Duc is also witnessing strong development, where large plots of populated land are cleared to make way for high-rise apartment projects.



Prospects Along Metro Line 2:

HCMC Metro Line 2 started construction in January 2015, is expected to cost $1.2 billion and is also slated to be operationally ready in 2020. Line 2 will spass through Ben Thanh before continuing east to Thu Thiem (District 2), bringing the total network length to approximately 48 km.

The Metro Line 2 will connect the densely populated northern districts of Ho Chi Minh City to the city centre and Ben Thanh, while extending all the way to District 2 in the east. This is seen as a commitment by the Government to push through with their plans to develop Thu Thiem into the New Financial Centre of HCMC.

By improving the infrastructure and transport connectivity to Thu Thiem, the large piece of undeveloped land close to the city centre will be made highly accessible and would encourage further developer confidence in engaging in large scale real estate developments.

Metro Line 2’s connectivity to Thu Thiem is expected to be a key reason for prices around this line to go up in the coming years. Thu Thiem is expected to be the new CBD and hence the region is expected to see large number of developments – in the commercial, office and residential front. Accordingly, the importance of Line 2 will increase several folds and real estate prices are expected to see strong increase by 2020.

It is expected that both Line 1 and Line 2 will be of high importance for real estate players -both in terms of development and investment.

Opportunity 4: Long Thanh International Airport

Another infrastructure development opportunity is in the form of planned construction of an airport in Long Thanh, Dong Nai Province, southern Vietnam. Located approximately 40 km east of Ho Chi Minh City, the construction is expected to start in 2019 and it will be finished by 2025. The airport, once completed, will serve over 100 million passengers annually when built to the maximum designed capacity – and will take considerable load off the Tan Son Nhat Airport, which suffers from over capacity.

One of the key reason for this airport is the strong increase in tourism flow in Southern Vietnam.

Although the planned airport is relatively far from HCMC, it will accessible by National Route 51, Ho Chi Minh City – Long Thanh Highway, Bien Hoa – Vung Tau Expressway, Long An – Long Thanh Expressway, Ho Chi Minh City – Long Thanh high-speed railway, Ho Chi Minh City – Nha Trang high-speed railway.

Since the official approval of this project, the land price around Long Thanh area has skyrocketed and property projects near the future airport have edged up 20-30%. The areas near the future airport will be optimal for hotel industry. The roads connecting the future airport to HCMC are also expected to see strong growth – in residential, retail as well as hotel real estate market.

The high inflow capacity of the new airport will result in strong demand for retail establishments along with hotels and hence these two real estate segments – retail and hotel – are expected to see strongest price rise in the future.

Opportunity 5: Thu Thiem: The New CBD area of HCMC

Thu Thiem New Urban Area is an under construction 6.57 square km (1,620-acre) urban redevelopment project in District 2. The project is situated on a point bar of the Saigon River in the municipal division known as District 2. On the opposite bank of the river are District 1 – HCMC's CBD, District 7, and the Bình Thạnh District.

The urban area covers an area of consists of several sections: residences, pools, parks and office sections. Almost all buildings here are to be of 10 to 40-story. Once completed, this new urban area is intended to replace District 1 as the city's center. This 1,620-acre site will comprise of 176 land parcels with approximately 3.2 million square metres (GFA) residential space and 3.4 million square metres (GFA) of commercial space, the total site will eventually accommodate a residential population of 145,000 and employee population of 217,000.

On the connectivity front, this new urban area is connected with the existing downtown with several bridges and a 6-lane tunnel. The construction of the Metro Line No. 2 and the four bridges is seen as the government’s determination and commitment to turn Thu Thiem into HCMC’s new financial and residential district.

Several key factors such as lack of supply, increasing rents in the existing CBD, and the completion of a major infrastructure are expected to result in Thu Thiem emerging as the alternative to CBD. This will have a huge impact on the property price – both sales and rental – in Thu Thiem. Land values within Thu Thiem have increased by 30-40% within past three years. While this is a considerable uplift, the region is still trading at a discount. In last quarter of 2017, residential prices in Thu Thiem were trading at 30-35% discount below District 1 levels, as well as considerably low compared to neighbouring districts such as District 3 and 4.

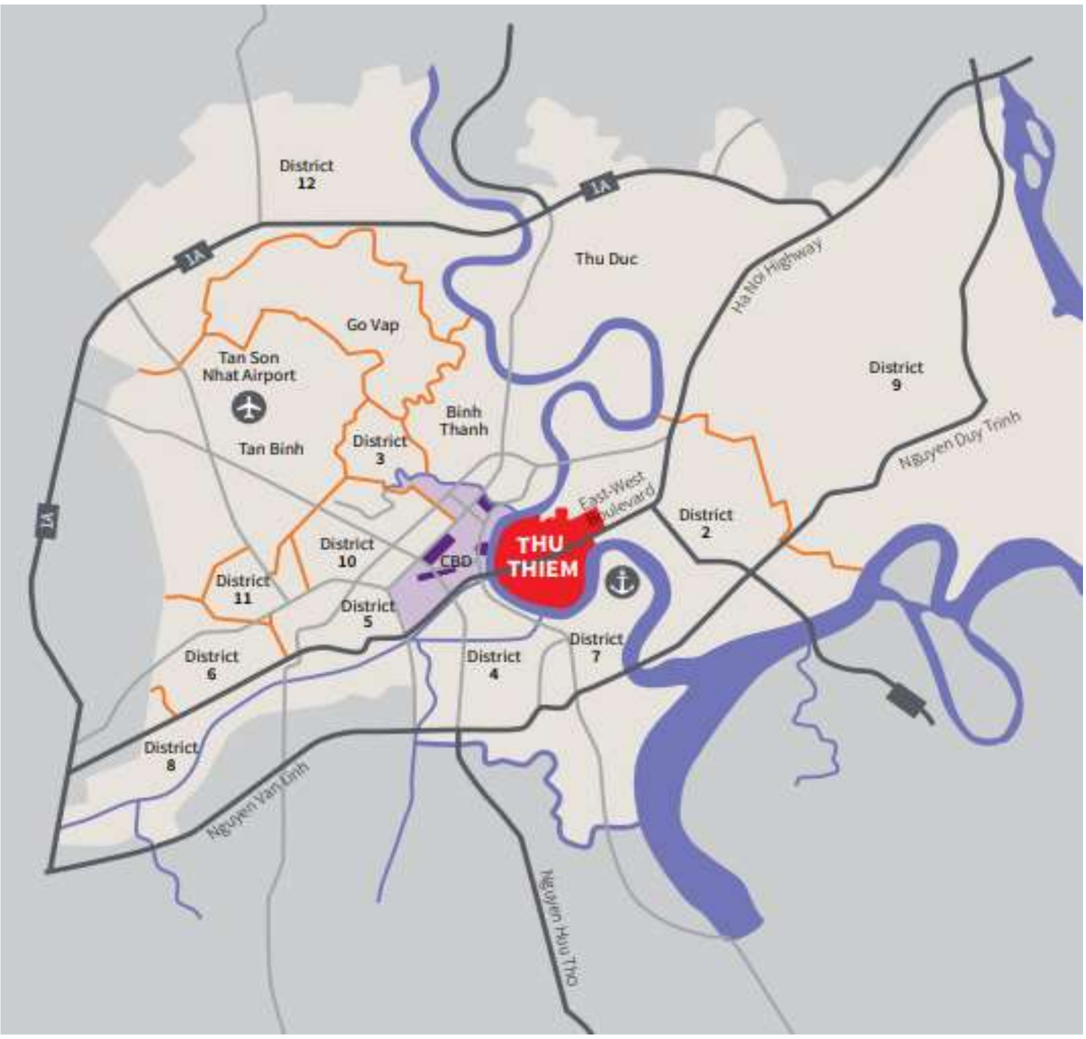
Similar Case in Consideration:

In Shanghai, apartment prices in Pudong (new CBD) are 43% above Puxi, the old CBD; and Bonifacio (new CBD) prices are the same as Makati (Philippines) – an indication of what future holds for Thu Thiem.

Currently majority of the land in Thu Thiem has been allocated and land is not available in abundance from government. However, on the positive side, many sites have not been developed yet and hence new real estate entrants can opt for either of the below three routes to enter this lucrative real estate market:

- Acquire land from an existing owner that has been allocated land
- Form a joint venture (JV) with a local partner who has been allocated land
- Enter bidding process for the land that has yet to be allocated

Opportunity lies in the form of undeveloped land as well. Approximately 62% of total area (GFA – above ground) is yet to see start of construction as some developers face challenges due to the lengthy process of obtaining all necessary legal/planning documentation approval as well as funding issues – indicating opportunity for new entrants.



Economic Growth and Per Capita Income Growth

A factor on which the real estate market is heavily dependent is the economic growth of the region and per capita income growth. While the former is a macro economic factor with impact across all sectors, lively hood, income, etc., the later indicates the capability of individuals to purchase and rent apartments, and their spending power (for retail establishments).

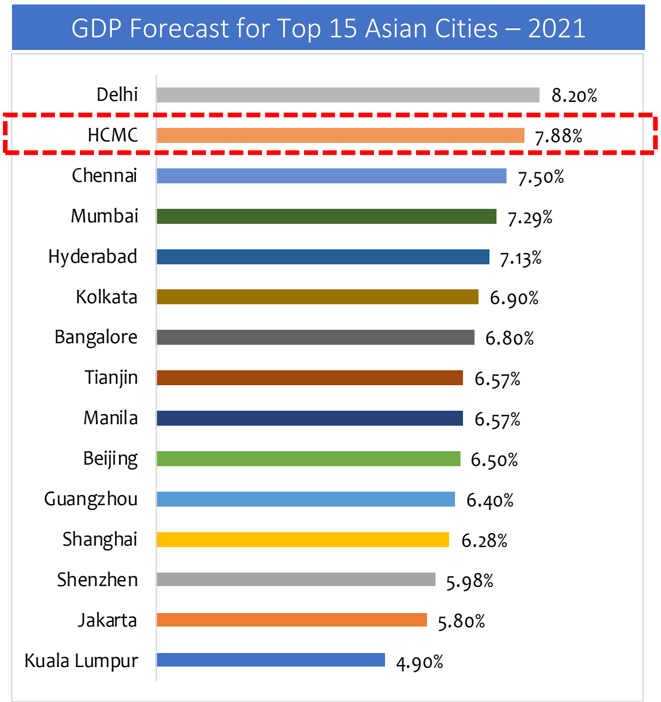
Strong GDP Indicates a Growth Market with Better Performance than Overall Vietnam

HCMC is the business and economic hub of Vietnam and hence is an economic powerhouse of the country. HCMC contributed to 20.2% of its GDP, 27.9% of industrial output and 34.9% of the FDI projects in the country back in 2005. This has increased over the years and by the end of 2016, total cumulative FDI project investments amounted to $45.3 billion (total number of FDI projects were 6,762 by the end of 2016). Currently HCMC accounts for 21% of the country's GDP and one-third of the state budget. In 2016, HCMC exported $31.8 billion worth of products to foreign markets following an average yearly export growth rate of 6% during the 2010 to 2016 period. The city also is witnessing a trend of increase in FDI investments. In 2017, total newly registered and supplementary FDI achieved $6.3 billion with 193 supplementary projects of $962.1 million. The positive FDI run of HCMC continued and in the first quarter of 2018, the city received a total of $1.7 billion – a fourfold increase compared with Q1 2017.

Expected GDP Growth is Highest in Vietnam and Second in Asia

In terms of GDP growth, HCMC has easily outshined Vietnam and registered a growth rate of 8.25% in 2017, which was higher than overall Vietnam's 6.8%. Vietnam is expected to maintain a growth of around 6% through 2020, while HCMC is expected to maintain a healthier growth rate of around 8% during the same period.

A study by Oxford Economics ranked HCMC as the second fastest growing economy in Asia. GDP growth forecast of top 15 cities placed HCMC second with an expected GDP growth rate of 7.88% till 2021.



It is important to note that no other Vietnamese cities features in the top 15 list and also other cities with nearby GDP growth rate (Delhi, Chennai, Mumbai) have a much higher cost of living than HCMC. While Hyderabad has a low cost of living, rental income in Hyderabad is much lower. Similarly, while Kolkata has a low cost of living, rental income and per capita income in Kolkata are much lower.

This high expected GDP growth presents a very strong positive picture for HCMC and will help build investor confidence as well as in lowering city risk by various rating providers.

JLL's City Momentum Index (CMI) Placed HCMC Third in Short-term Momentum

JLL's CMI Short-Term Momentum rankings identify the urban economies and real estate markets which are currently undergoing the most rapid growth. The short-term momentum includes two categories; Socio-economic momentum, and Commercial real estate momentum. Socio-economic momentum includes recent percentage changes in city GDP, population, air passengers and corporate headquarters presence; projected percentage changes in GDP, population and retail sales; and recent levels of and changes in FDI (as a proportion of a city's economy). Commercial real estate momentum includes recent and projected percentage changes in office net absorption, office construction, rents, shopping mall construction, retail rents and hotel rooms. This also includes international retailer presence, home-sharing listings, recent changes in direct commercial real estate investment volumes, and real estate transparency.

Short-term Momentum Rankings
Hyderabad
Bangalore
Ho Chi Minh City
Pune
Kolkata
Ha Noi
Nanjing
Delhi
Hangzhou
Xian

The ranking indicated that HCMC is attracting sizeable volumes of FDI as it integrates into regional and global supply chains for high-technology manufacturing. This is helping to spur rapid economic and income growth, leading to among the world's highest rates of increase in retail sales and air passenger numbers.

The 2017 JLL CMI report with "Most Dynamic City" ranking presented a further positive picture of HCMC. While HCMC didn't feature in top 10 cities in 2014, it was placed at sixth in 2015 and went up to the second spot in 2017 – ahead of more developed cities such as Shanghai, London, Boston, etc.

JLL's Most Dynamic Cities – Global Top 10			
2014	2015	2016	2017
San Francisco	London	London	Bangalore
London	Silicon Valley	Silicon Valley	Ho Chi Minh City
Dubai	Beijing	Dublin	Silicon Valley
Shanghai	Shenzhen	Bangalore	Shanghai
Wuhan	Shanghai	Boston	Hyderabad
New York	Ho Chi Minh City	Shanghai	London
Austin	Boston	New York	Austin
Hong Kong	Wuhan	Sydney	Ha Noi
Silicon Valley	San Francisco	Beijing	Boston
Singapore	Chongqing	San Francisco	Nairobi

The report stated "*Ho Chi Minh City is one of the world's most dynamic urban economies with low costs, rapid consumer market expansion and a transition towards higher-value activities driving significant levels of FDI and the construction of office, retail and hotel stock to meet demand. This transition is at an early stage, however, and congestion remains a serious impediment to the quality of life and productivity levels which are needed to ensure future momentum*".

Highest Per Capita Income Coupled with Relatively Low Cost of Living

HCMC has the highest per capita income in Vietnam – significantly higher than the next highest city Ha Noi – and yet has a lower cost of living the Ha Noi. This indicates a much higher disposable income among residents of HCMC and hence higher purchasing power.

HCMC has witnessed a strong per capita income growth of 10.2% (CAGR) from 2012 through 2016. It has been predicted that if the city is able to main GDP growth of at least 8.5% till 2020, it can expect a per capita income growth of 22.5% from the 2014 figure. However, a more practical estimate shows the city to see GDP growth rate of around 8%, and hence per capita income growth can be estimated to be in the range of 15-20% through 2020.

The high per capita income growth will also come from supporting factors such as HCMC's transition to service economy and at the same time establishing itself as a manufacturing center.

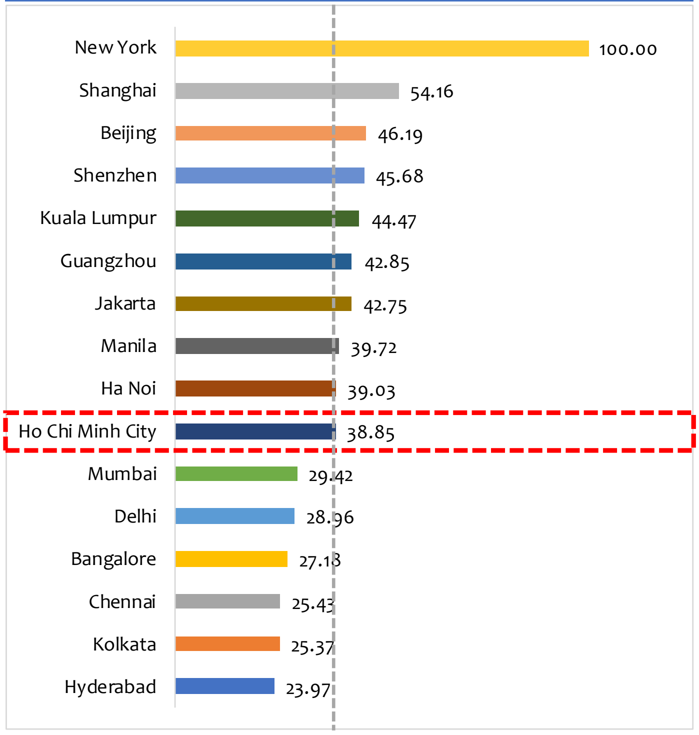
In terms of cost of living, HCMC has witnessed a variable cost of living, however, it has remained lower than Ha Noi and is expected to remain so in the coming years. While cost of living is higher than Vietnam's average, a much higher per capita income compensates for the same.

The cost of living index (from Numbeo) shows HCMC to have a lower cost than Ha Noi. HCMC in fact has a lower cost of living than all other major cities such as Shanghai, Beijing, Kuala Lumpur, Manila, etc. However, the India cities (Bangalore, Delhi, Mumbai, etc.) have a further low cost of living.

While cost of living in HCMC is low, rental income and real estate sales price in HCMC is higher than Ha

Noi – making HCMC the ideal real estate development and investment destination.

Cost of Living Index (New York = 100)



Lower and Controlled Rate of Inflation

Supporting the high disposable income and low cost of living is the controlled and moderate inflation (CPI) in HCMC. A controlled moderate inflation indicates price check in place and hence HCMC will continue to remain a low-cost destination at least in the near future.

Consumer price index (CPI) in HCMC rose by 0.12% monthly and 2.5% annually in April 2018. Among 11 commodity groups, eight recorded monthly price increases, led by transportation (1.35%). It was followed by culture, entertainment and tourism (0.62%), goods and other services (0.12%), beverages and cigarettes (0.09%), medicine and medical services (0.05%), education (0.04%), food and catering services (0.04%), apparel, headwear and footwear (0.01%).

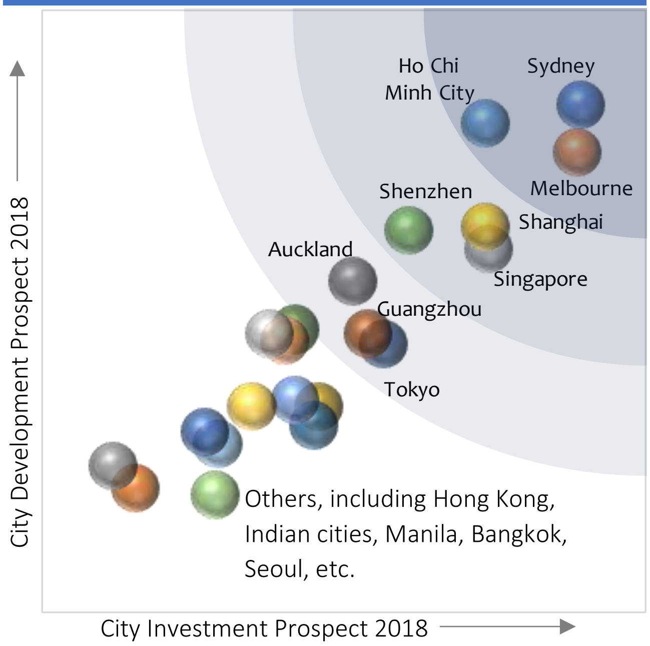
More basic amenities saw a decline in prices. Lower prices were seen in housing, electricity and water supply, fuel and construction materials (0.24%), household equipment and appliances (0.08%). Post and telecommunication prices stayed the same during the month.

More importantly, the inflation in HCMC is far lower than Mumbai, Delhi, Bangalore, Chennai, Kolkata and Hyderabad – the cities that have a lower cost of living than HCMC. This presents a positive picture for HCMC – indicating the price rise in HCMC is better controlled and HCMC has longer term outlook when it comes to low cost of living.

City Investment and Development Prospects Ranking Places HCMC in Top Quadrant

PWC's city outlook rating shows Sydney, Melbourne and HCMC as the top cities. These three cities lie in the top most quadrant and have a strong development as well as investment prospect in 2018. Sydney is the best performing city according to the report, which is followed by HCMC and Melbourne. HCMC has a better rating in city development prospect, while Melbourne has a better rating in city investment prospect.

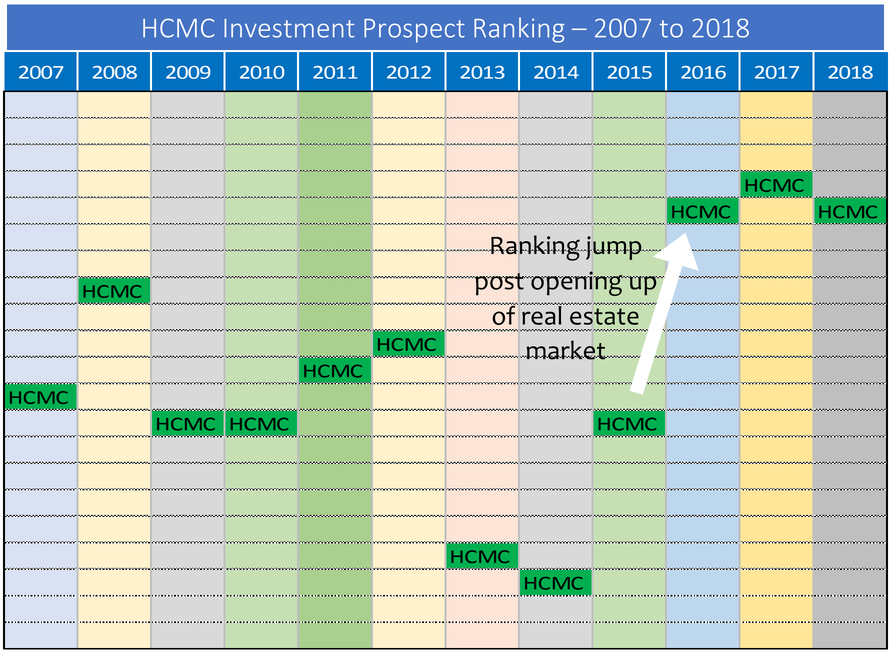
City Investment and Development Prospect Mapping - 2018



HCMC is also placed third in the same report in "cities most likely to see rental growth in 2018" – ranked after Sydney and Melbourne, but well ahead of Shanghai, Mumbai, Hong Kong, Bangalore, etc. HCMC's growth can be gauged from the fact that investors in Vietnam are comparing the country with China of ten to 15 years ago. Within Vietnam, HCMC is the favorite among investors. HCMC is ranked highest in terms of rental value growth, reflecting confidence that economic strength will spill over to property values.

Historical ranking shows HCMC's investment prospect ranking has seen a strong improvement post 2015 (as seen in the figure below). Incidentally, 2015 is the year when real estate market in HCMC opened up to FDI.

This is an indication of the high interdependency of investment prospect and development prospect ranking. With high development and investment prospect rankings in 2018 and beyond, HCMC has a very optimistic real estate market future



<u>Various Economic and City-Wide Rankings Indicate HCMC as one of the Best Investment Bets:</u>
HCMC remains one of the best performing cities in terms of various parameters such as city investment prospect, development prospect, GDP growth forecast, city momentum index, dynamic city index, and cost of living index. Historical performance, current developments and future prospects makes HCMC a very promising investment destination. All real estate segments are expected to be good investment options for real estate players and are considered performing markets.

Parameter	HCMC Rank	Cities Ahead of HCMC	HCMC Advantage
GDP Forecast	2nd	New Delhi	Scores higher than Delhi in momentum index, development prospect, and investment prospect - which are must for maintaining GDP growth.
City Momentum Index	3rd	Hyderabad; Bangalore	Higher than Hyderabad and Bangalore in GDP growth; development and investment prospect - overall a better future growth prospect.
Dynamic City Index	2nd	Bangalore	Scores better than Bangalore in investment and development prospect, as well as GDP growth forecast.
Cost of Living Index	7th	Mumbai; New Delhi; Bangalore; Chennai; Kolkata; Hyderabad	Scores better than all these cities in development and investment prospect. Also has better controlled inflation growth.
City Development Prospect	2nd	Sydney	Scores better than Sydney in all parameters other than investment and development prospects.
City Investment Prospect	5th	Sydney; Melbourne; Singapore; Shanghai	Scores better in all parameters other than investment and development prospects.

Country Stability

Political Stability Remains a Concern, albeit is Improving

Vietnam is a relatively stable country in terms of political stability. Internal conflict is rare within the government and in Vietnam, although in 2016 and 2017 there were a small number of protests including in relation to environmental issues. The country ranks low in terms of stability compared to some other countries such as China, Australia, India, Singapore, Malaysia, and South Korea. The 2018 EIU (Economic Intelligence Unit) credit risk rating assigned CCC to Vietnam, which was lower than India, South Korea and Malaysia, and far lower than that of Japan, Singapore, Australia and Hong Kong. However, Vietnam has open up its economy later than most of the countries and hence the stability growth is higher than most of the Asian countries.

The Vietnamese government is taking several steps to further improve its image and stability. One such step is the anti-corruption drive led by the general secretary of the Communist Party of Vietnam (CPV), Nguyen Phu Trong. Through this, the government has implicated a number of high-profile figures. Although his efforts against grand corruption are making positive impact, there is still little urgency on the CPV's part to enact the necessary institutional and political reforms to curb graft over the medium to long term.

The improve in political stability is considered positive a positive sign, which is also resulting in a strong increase FDI in the recent years.

Various EIU Risk Ratings – Vietnam vs. Others – 2018

	Sovereign Risk	Currency Risk	Banking Sector Risk	Political Risk	Economic Structure Risk	Country Risk
Vietnam	B	BB	B	CCC	B	B
China	BBB	BBB	BB	B	A	BBB
Japan	BBB	A	A	AA	BBB	A
South Korea	BBB	A	BBB	BBB	BBB	BBB
Australia	AA	A	A	AA	A	A
India	BBB	BBB	BB	BBB	BB	BB
Thailand	BBB	A	BBB	B	BBB	BBB
Philipines	BBB	BBB	BBB	BB	BB	BBB
Singapore	AA	A	A	AA	BBB	A
Malaysia	BBB	BBB	BBB	BBB	BBB	BBB
Indonesia	BB	BB	BB	BB	BB	BB
Hong Kong	AA	A	A	AA	BBB	A

EIU Risk Ratings Explained:
Sovereign risk measures the risk of a build-up in arrears of principal and/or interest on foreign and/or local-currency debt that is the direct obligation of the sovereign or guaranteed by the sovereign.
Currency risk measures the risk of maxi-devaluation against the reference currency (usually the US dollar, sometimes the euro) over the next 12-month period.
Banking sector risk gauges the risk of a systemic crisis whereby bank(s) holding 10% or more of total bank assets become insolvent and unable to discharge their obligations to depositors and/or creditors.
Political risk evaluates a range of political factors relating to political stability and effectiveness that could affect a country's ability and/or commitment to service its debt obligations and/or cause turbulence in the foreign exchange market.
Economic structure risk encompasses a series of macroeconomic variables of a structural rather than a cyclical nature.
Overall country risk is derived by taking a simple average of the scores for sovereign risk, currency risk, and banking sector risk.
AAA: Capacity and commitment to honour obligations not in question under any foreseeable circumstances.
AA: Capacity and commitment to honour obligations not in question.
A: Capacity and commitment to honour obligations strong.
BBB: Capacity and commitment to honour obligations currently but somewhat susceptible to changes in economic climate.
BB: Capacity and commitment to honour obligations currently but susceptible to changes in economic climate.
B: Capacity and commitment to honour obligations currently but very susceptible to changes in economic climate.
CCC: Questionable capacity and commitment to honour obligations. Patchy payment record.
CC: Somewhat weak capacity and commitment to honour obligations. Patchy payment record. Likely to be in default on some obligations.
C: Weak capacity and commitment to honour obligations. Patchy payment record. Likely to be in default on significant amount of obligations.
D: Very weak capacity and commitment to honour obligations. Poor payment record. Currently in default on significant amount of obligations.

Financial Stability is Improving and has a Very Strong Future Outlook

Although Vietnam is financially stable, its stability rating is lower than that of some other countries such as China, Japan, South Korea, Australia, etc. Vietnam's sovereign risk, currency risk, banking sector risk and economic structure risk – all are higher than these countries indicating a higher risk for investors. However, it is important to note that Vietnam has seen a very strong improvement over the years, which is an indication of its government's serious development efforts.

Vietnam has become of the fastest growing economies in Asia and within Vietnam, HCMC is the financial hub with a very strong GDP growth. Vietnam's GDP per capita has increased by 350% since 1991, which is second only to China. FDI inflows averages 8% of GDP annually, the highest among major emerging markets in ASEAN and proportionately larger than China. Large amount of FDI is flowing into real estate and manufacturing sector. Currently, around 70% of Samsung's smart-phones are made in Vietnam – indicating Samsung's strong outlook for Vietnam.

The commitment of the government can be gauged from the fact that Vietnam jumped 14 places to be ranked at 68 in the World Bank's "Doing Business 2018" from previous year.

The outlook for Vietnam and HCMC remains highly positive, GDP growth is expected to remain strong, inflation under control and moderate. Flow of FDI is further expected to increase (in both Vietnam and HCMC), which provide further boost to growth as well as help in building up investor confidence.

FDI Stability: Growing Presence of Foreign Players in the Real Estate Sector Asserts Confidence

One of the key factors building up investor confidence in HCMC's real estate market is the growing presence of foreign real estate developers. The real estate market is witnessing increase presence from countries such as Japan, China, Singapore, etc.

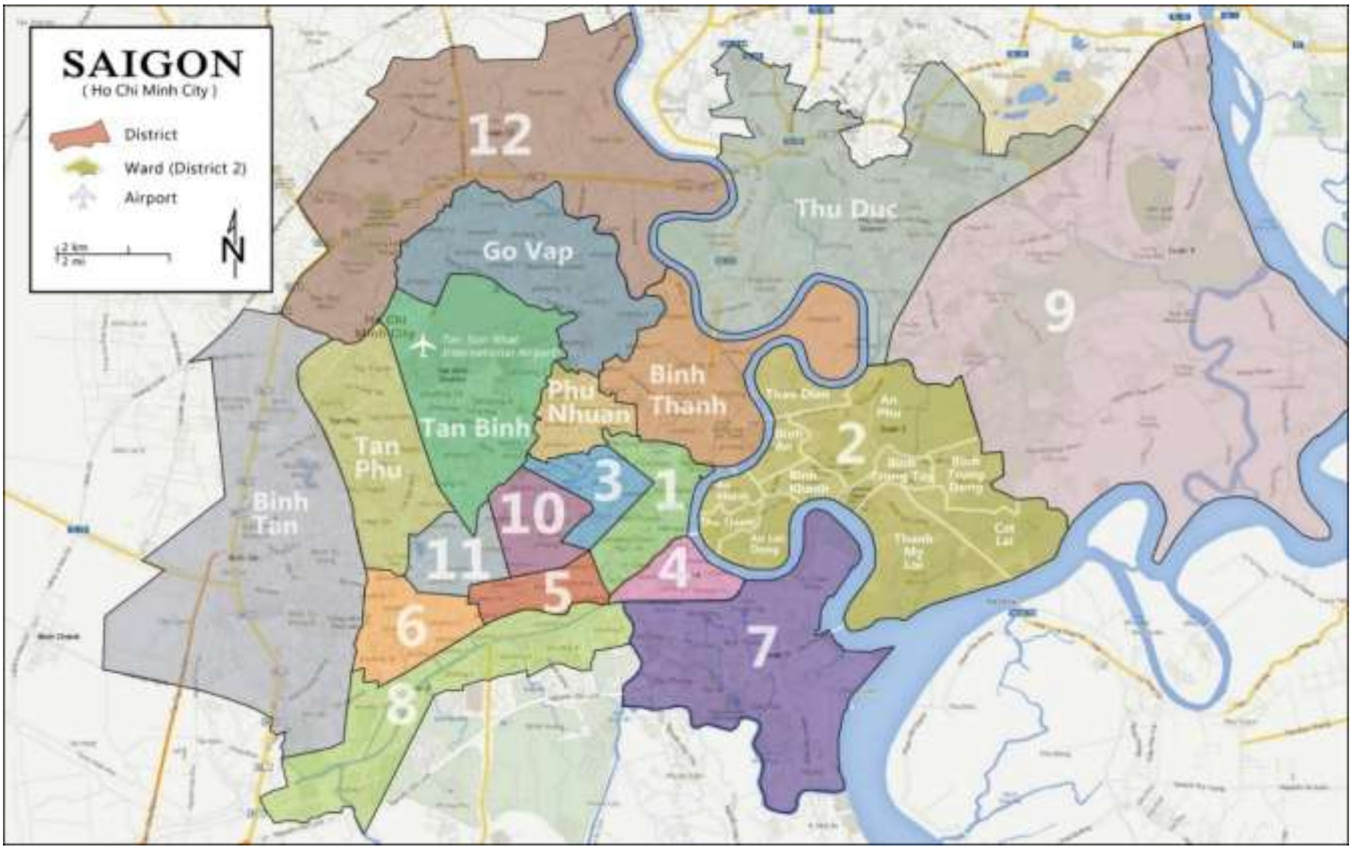
Some key examples of real estate investments and presence pf Chinese and U.S. companies are:

- A joint venture valued at $1 billion between Kajima Corporation, also from Japan, and Indochina Capital is slated for investment in the city in the next 10 years.
- In mid-April 2017, China Fortune Land Development Co. Ltd. (CFLD), a publicly traded Chinese real estate developer, purchased a $65.3 million stake in 198.5 million hectare Dai Phuoc Lotus project in Dong Nai province (from VinaCapital).
- Hongkong Land Holdings Limited (Hongkong Land), a property investment, management, and development company in Hongkong possesses a 64% stake in the housing projects in Tu Thiem new urban area of Ho Chi Minh City Infrastructure Investment Joint Stock Company (CII).
- China Fortune Land Development is cooperating with Vietnam's Tin Nghia Corporation to develop the East Sai Gon Urban Area and Ong Keo Industrial Zone in Dong Nai province.
- Sunwah, the real estate developer from Hong Kong, has been quietly implementing a project on Nguyen Huu Canh street in Binh Thanh district with investment capital of $200 million.
- VinaCapital official started the Nam Hoi An integrated resort with casino worth $4 billion in 2016 with Chow Tai Fook from Hong Kong as partner.
- Gaw Capital Partners, a Hong Kong-based real estate private equity firm, announced in 2015 that a new fund it manages has bought an existing portfolio of real estate projects in Vietnam from Indochina Land Holdings 2 Ltd for $106 million.
- Private equity firm Warburg Pincus announced setting up a joint venture with Vietnam's real estate and infrastructure company Becamex IDC Corp (Becamex) to develop institutional-grade industrial and logistics properties across Vietnam.
- Warburg Pincus entered into a joint venture with VinaCapital and bought 50% shares in Sofitel Legend Metropole Hanoi at about $100 million.

This increase in presence of foreign players in the real estate sector has increased over the years, which also acts a catalyst to build-up investor confidence and draw more foreign developers and investors.

Appendix:

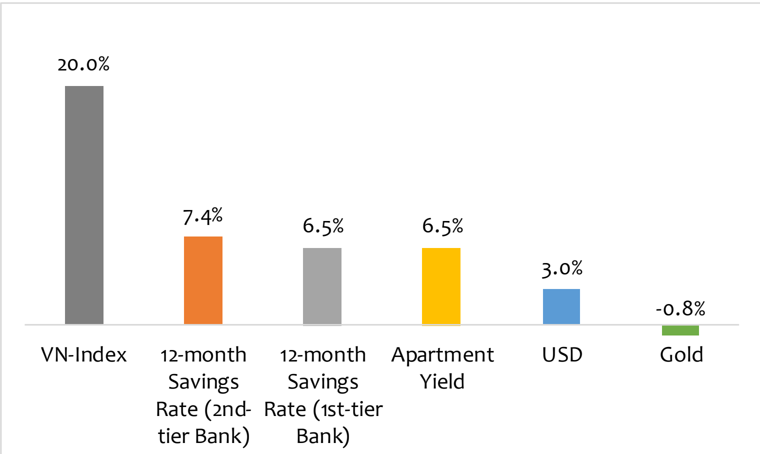

CHINA
LAOS
THAILAND
CAMBODIA
VIETNAM
Gulf of Tonkin
SOUTH CHINA SEA
Gulf of Thailand
Paracel Is. (disputed)
Dao Phu Quoc
Con Dao
Black R.
Red R.
Mekong
Ha Giang
Cao Bang
Lao Cai
Lai Chau
Lang Son
Tuyen Quang
Yen Bai
Thai Nguyen
Dien Bien Phu
Phu Tho
Bac Giang
Song Tay
HANOI
Cam Pha
Ha Dong
Hong Gai
Hai Duong
Haiphong
Nam Dinh
Ninh Binh
Thanh Hoa
Quynh Luu
Vinh
Ha Tinh
Dong Hoi
Dong Ha
Hue
Da Nang
Hoi An
Tam Ky
Quang Ngai
Kon Tum
Pleiku
Qui Nhon
Tuy Hoa
Ban Me Thuot
Ninh Hoa
Nha Trang
Da Lat
Cam Ranh
Loc Ninh
Bao Loc
Phan Rang
Tay Ninh
Thu Dau Mot
Bien Hoa
Phan Thiet
Ho Chi Minh City
Chau Doc
My Tho
Long Xuyen
Vinh Long
Ben Tre
Vung Tau
Rach Gia
Can Tho
Phu Vinh
Soc Trang
Ca Mau
Bac Lieu
0 km
100
200
300
0 miles
100
200
Main railway
Main road
International boundary
Main airport
Capital
Major town
Other town



Some key districts in HCMC:

Districts	Advantages and Disadvantages
District 1	CBD; Shopping, movie, restaurants; Expensive living
District 2	Expat area; High-end housing; Close to CBD; Good infrastructure
District 3	Close to CBD; Restaurants & shopping; Congested
District 5	China town; Ancient - tourism
District 7	Expat area; Expensive living;Night life; Good infrastructure
Tan Binh	Middle income; Public transport; Poor infrastructure
Thu Duc	Low living cost; Universities; Far from CBD; Poor transportation

Comparison of returns of various investment channels in Vietnam:



Bibliography:

1. Ho Chi Minh City tops nation in FDI attraction, April 2018, SGGP
2. Vietnam Property Overview, Q1 2017, CBRE
3. HCM City: FDI flow into property sector triples, December 2017, Vietnamnet
4. General Statistics Office of Vietnam, 2018
5. Double Increase in Attracting FDI Capital In Ho Chi Minh City, FED-Vietnam
6. HCMC Residential Property Sector, April 2017, AEC News Today
7. HCMC has more funding for infrastructure, January 2018, Saigon Times
8. Ho Chi Minh City office rents set to soar, March 2018, Asia Times
9. Newest adjustment on Tan Son Nhat Airport expansion project sends investors into frenzy, May 2017, Vietnamnet
10. CBRE Releases Q4 2017 Quarterly Report Highlights Ho Chi Minh City Market, January 2018, CBRE
11. HCM City plans major infrastructure projects, October 2017, Vietnamnet
12. City Momentum Index 2017, JLL
13. New infrastructure and high-end projects, October 2017, Indochina Properties
14. City real estate at $2 billion volume, January 2018, Vietnam Investment Review
15. District map of HCMC
16. Vietnam’s Next Big Investment Opportunity, Keppel Land Limited
17. HCMC Metro Will Be A Game Changer, April 2015, Property Guru
18. Vietnam’s Hospitality Industry, May 2017, Vietnam Briefing
19. The Imminent Rise Of Ho Chi Minh City’s Eastern Regional Centre, April, Huttons
20. Tourism growth presents opportunities for hospitality market, April 2017, Vietnam EconomicTimes
21. Ho Chi Minh City’s Metro Lines And Its Impact On Real Estate, August, Huttons
22. New Infrastructure and High-end Project Transforming Ho Chi Minh City's Real Estate Market, April 2018, PropGOLuxury
23. HCMC Ranked 2nd Fastest Growing Economy in Asia, vietnamadvisors
24. City Momentum Index 2018, JLL
25. Asia: Cost of Living Index by City, 2018, Numbeo
26. CPI in Ho Chi Minh City up 0.12 percent in April, April 2018, Vietnam Plus
27. Landlords unfazed by higher supply, October 2017, Vietnam Investment Review
28. Vietnam, April 2018, EIU
29. The World Bank In Vietnam, 2018, World Bank
30. Overseas Business Risk – Vietnam, May 2018, Department for International Trade UK
31. China’s billion-dollar real estate projects plan in Vietnam, September 2017, TheLEADER
32. Gaw Capital Partners Acquires Vietnam Real Estate Portfolio, June 2015, Marketwired News