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## The real estate market in Hanoi, Vietnam: Current status and some solutions.

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### Abstract

The importance of developing real estate projects in major urban areas cannot be denied, especially in the current period of rapid national development. The emergence of real estate projects has significantly altered the landscape of Hanoi city. Over the past decade, the Hanoi real estate market has consistently been a focal point of interest for many. It is regarded as a sizable market, attracting substantial investments from domestic and foreign enterprises. Furthermore, the scale and business activities of these enterprises have continued to expand and evolve, making this market increasingly dynamic and attractive, albeit with fluctuations and risks. The Hanoi real estate market experiences moments of 'freezing' or 'soaring' at different times across all market segments. Based on secondary data research, this article presents a comprehensive overview of the real estate market in Vietnam. Consequently, the article proposes some solutions aimed at better supporting the development of this market in the near future.

**Keywords:** Real estate market; Market demand; Market supply; Hanoi; Vietnam

### 1 Introduction

In recent years, many provinces and cities in Vietnam have witnessed the proliferation of office buildings, hotels, apartments, shopping centers, and more. This trend underscores the highly dynamic nature of the real estate market in Vietnam, particularly in the capital city of Hanoi. Within the capital, there are numerous Vietnamese companies and foreign firms engaged in real estate business. This market is a fertile ground, yielding substantial profits for investors. In the future, Hanoi is poised to invest in and develop numerous real estate projects to meet the needs of the population and the demands of domestic and international enterprises.

However, alongside the positive outcomes, the development of the real estate sector has also revealed various shortcomings and limitations, lacking true sustainability and harboring potential risks. The current state of business activities in the Hanoi real estate market has not fully met market demands in a timely manner. The property market's product structure is not optimal, especially with high residential property prices relative to people's incomes. Data and information about the real estate market are still lacking in uniformity, completeness, reliability, and transparency. These factors are the primary causes of the market's underdevelopment.

Many real estate enterprises in Hanoi have not fully tapped into the market's potential, leading to inefficient business operations. Faced with these realities, many real estate companies have had to delay or temporarily halt project implementation, reduce and adjust workforce scales, with some companies having to cut over 60% of their labor force to navigate the current challenges. Over the past decade, the real estate market has rarely experienced such a 'red alert' situation. Real estate supply and demand relationships and transactions primarily occur through informal, unofficial channels. The unusual price fluctuations in real estate (especially land use rights transfer prices) and the occurrence of land and property 'fever' continue without effective regulatory measures. The complex developments in the real estate

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market and the inadequate state management have posed difficulties for investment and development, hindering economic restructuring, industrialization, and modernization of the country.

The government's efforts, along with various ministries and sectors, in resolving difficulties and stimulating the real estate market have shown certain positive effects. There have been many directives aimed at stabilizing the macroeconomic environment, controlling inflation, ensuring major balances, and assisting economic recovery, resulting in relatively high growth compared to other countries in the region and the world. Nevertheless, the implementation process, policy absorption, and mobilization processes have differed from place to place, leading to varying degrees of recovery among regions and localities. Consequently, areas with advantages in land reserves, infrastructure, and investment policies have a competitive edge, and their real estate markets tend to recover more quickly. Therefore, there are still many existing challenges that need to be addressed to ensure the more stable development of the real estate market.

## 2 Research methods

To conduct the research project, the authors utilized secondary data. Secondary data, in this context, refers to essential information for analyzing the overall research context. This data is related to the scale and structure, as well as the financial reports of real estate businesses operating within the Hanoi area in recent years. These data sources were researched from the Hanoi Statistics Office and the Hanoi Real Estate Association.

## 3 Results and discussion

### 3.1 Real Estate Market Situation in Hanoi

#### 3.1.1 Market Demand

The increasing population pressure in Hanoi and across the country is driving a growing demand for housing. In the luxury and high-end apartment market segment, the target customer base consists of individuals with social status, high income, successful entrepreneurs, overseas Vietnamese doing business in Vietnam, all of whom have a desire to purchase and own homes. Families from other provinces with financial potential tend to buy residential houses and condominiums to serve their children studying at universities, colleges, and vocational schools in Hanoi. Many middle-class families have a need to upgrade the quality of their living spaces from budget apartments to upscale condominiums. Nearly all families from other provinces aspire to move to urban areas as a growing trend. Many households with multiple generations living together have a significant demand for separate living spaces. The city is planning new high-end condominium projects in various new urban areas. Many successful entrepreneurs from different regions are converging on Hanoi, further increasing the demand for high-quality housing such as upscale condominiums. The largest demand in the luxury and budget condominium segments in Hanoi is from the vast civil servant population receiving salaries from the State. Their demand primarily revolves around residential assets in centrally located projects with comprehensive services.

**Table 1** The demand for urban residential real estate

	Number of houses provided for new households (million units)	Number of housing units needing replacement (2% per year) (million units)	Estimated total housing demand (million units)	Equivalent floor area (million m <sup>2</sup> )
2009-2015	1,37	0,68	2,05	317,7
2015-2022	1,52	0,68	2,2	341

Source: World Bank Group (2022)[1]

In the World Bank's research, the demand for urban residential real estate has shown a consistent upward trend across various periods, both in terms of the number of housing units, the demand for housing units, and floor area. The rate of increase in housing prices is primarily influenced by the supply and investor choices.

### 3.1.2 Market Supply

Real estate products in Hanoi can be categorized into various types: residential properties (apartments, land plots, villas, standalone houses); commercial real estate (office spaces for rent, shopping centers, retail spaces); and specialized real estate (industrial properties). Among these, apartment buildings are the most abundant real estate product in the Hanoi market, reflecting the investment in new urban areas and housing development projects. According to statistics from the Ministry of Construction, in the first 9 months of 2022, the Hanoi real estate market saw more than 20,665 apartments introduced to the market, with a majority of them being high-end and luxury apartments (priced at over 20 million VND/m<sup>2</sup>), accounting for over 80% of the total. Meanwhile, the supply of affordable commercial housing was limited, and the number of social housing units put into use was relatively low.

**Table 2** Condominium Apartment Market, Quarter 4, 2023

Partment Type	Luxury	High-end	Mid-range	Affordable	Total Market
Total Supply (units)	2,180	14,780	47,870	12,400	77,200
New Supply (units)	0	850	1,880	145	2,860
Average Market Price (USD/m <sup>2</sup> )	3,200	1,900	1,460	1,010	1,900
% Price Change (quarterly)	4.3%	4.3%	8.6%	11.1%	6.5%
% Price Change (annually)	5.6%	8.5%	11.5%	20.3%	9.8%

Source: Hanoi Real Estate Club (2023)[2]

In July 2020, real estate prices continued to rise, following the upward trend of the previous months. The strongest market segment was mid-range apartments, accounting for the highest proportion (82%). High liquidity was clearly evident in projects that had completed legal documentation, finalized architectural designs, were conveniently connected to the city center's transportation network, had synchronized technical infrastructure, and were located near public utilities under development.

In 2021, the real estate market experienced renewed growth, with an increase of approximately 4.07% compared to 2017, contributing 0.21% to the overall GDP growth of the country. The market repositioned its products to focus on investing more heavily in the mid-range housing segment with average selling prices that met customer demand.

As of the end of November 2022, the Hanoi market had about 33,000 newly launched apartments, an increase of nearly 2,000 units compared to 2021. According to research by CBRE Vietnam, the high-end and luxury segments recorded growth of around 8-9% compared to 2021. In 2023, Hanoi had 58 projects with 31,180 condominium units, a 20.2% increase from 2019. Condominium prices in 2020 increased by approximately 0.58% compared to the same period in 2019 (Hanoi Real Estate Club, 2023)[2].

### 3.1.3 Real Estate Businesses Operating in Hanoi

According to statistics from the Ministry of Planning and Investment, in the first nine months of 2022, the number of businesses temporarily suspending operations in the construction sector was 6,171 businesses (accounting for 13.75%), and the number of businesses waiting for dissolution was 4,091 (making up 12.6%). In addition, the number of newly established real estate businesses during the first nine months increased by 11.5% compared to the same period in 2021. Despite facing four waves of the Covid-19 pandemic, especially the strong fourth wave in recent months, many businesses encountered numerous challenges.

Nevertheless, some real estate enterprises still managed to achieve significant profits, primarily focusing on companies listed on the stock exchange, while non-listed real estate firms struggled to achieve positive business results. During this time, the robust stock market growth has facilitated favorable conditions for listed real estate companies to raise and allocate capital, enabling better profit planning and distribution.

### 3.1.4 Business Performance Results of Real Estate Enterprises in Hanoi

Over the past two years of battling the Covid-19 pandemic, the retail sector has suffered significant losses. However, at present, with the issuance of Government Resolution No. 128/NQ-CP[3], which outlines "Adapting Safely, Flexibly, and Effectively to Covid-19," and the increasing vaccination rates, the domestic retail sector is showing clear signs of recovery.

Gross ground floor rent increased by 5% quarterly and 4% annually, with stable leasing capacity. The fastest growth was observed in the central and eastern areas of Hanoi, averaging a 5% annual increase since 2018. According to Savills, the economy is experiencing a notable recovery, especially in terms of GRDP and retail revenue, prompting some retailers to expand their businesses, making the real estate market more vibrant.

Ms. Hoang Nguyet Minh, Senior Director of Commercial Leasing at Savills Hanoi, commented: "Luxury retail brands are actively seeking space in Hoan Kiem district, leading to a significant increase in ground floor rent prices in this area. However, mid-range retail brands remain cautious in seeking new spaces post-Covid-19. Additionally, the growth of e-commerce has also affected the number of shoppers in shopping centers.



Figure 1 Hanoi Real Estate Retail Market, Quarter 1 2022

Additionally, the office rental market is experiencing higher demand. Specifically, the office supply in Hanoi in the first quarter of 2022 saw slight growth, led by projects in the Grade B segment. Inner-city districts are contributing a significant volume of products to the market, followed by the western part of Hanoi, especially Cau Giay district.



Figure 2 Hanoi Office Rental Market, Quarter 1, 2022

The occupancy rate increased quarterly but decreased annually. Grade C offices had the highest occupancy rate, especially in the western part of Hanoi, where businesses in the ICT and manufacturing sectors are concentrated. Office leasing activities are expected to pick up momentum in 2022 after the social distancing measures in 2021 due to the pandemic. The ICT industry, along with the financial, banking, insurance, and real estate sectors, continued to have a significant number of transactions in the first quarter.

For the townhouse/villa segment, Savills also provided additional information. Compared to the first quarter of 2021, the operational situation has improved, and the market has seen a certain level of growth in new supply, distributed evenly across Hanoi. Transaction volume has increased by quarter but remains lower than the same period last year. Townhouses and terraced houses are the two products with the strongest consumption in the market.

Regarding prices, since the third quarter of 2021, primary prices have consistently reached their highest levels to date, with price increases in the villa, townhouse, and terraced house segments. It is forecasted that for the remainder of the year, the market will welcome more than 1,600 units from 10 new projects. Among these, the future supply in the western region will be the largest. With limitations on products in the Hanoi market, investors will continue to seek opportunities in neighboring areas such as Bac Ninh, Bac Giang, Hung Yen, or Hoa Binh

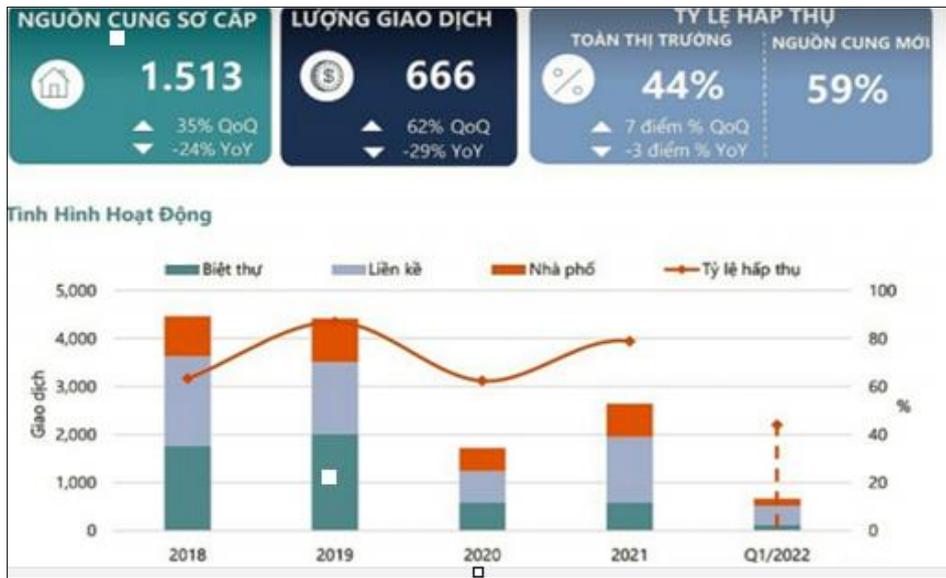


Figure 3 Hanoi Villa and Townhouse Market in the first quarter of 2022



Figure 4 Hanoi Apartment Market in the first quarter of 2022

The pressure of rising prices along with increasing inflation rates while credit is tightening may slow down real estate market activities in the short term," said Mr. Matthew Powell, Director of Savills Hanoi.

The apartment market in the first quarter of 2022, alongside positive signs in other segments, still faced limitations; however, it is predicted to recover better in the second quarter. In the first quarter, there were no new projects in this

market; all the supply came from the next phase of six existing projects. The transaction volume decreased, while prices increased, but the housing market in Hanoi continued to maintain its positive momentum with high demand.

The urbanization rate, natural population growth, and the increase in the middle-class population will be the main drivers to boost demand for apartments in the coming time. Rental prices have also continued to increase since the first quarter of 2019. Among them, Grade B projects led the growth rate of primary prices, followed by Grade A and Grade C. This has led to a shortage of affordable apartment supply in the market.

### 3.1.5 Real Estate Workforce in Hanoi

According to statistics from the job recruitment website Timviec365.com, the demand for human resources in the real estate industry is widespread in various positions in Hanoi. These positions include Real Estate Transaction Officers, Building Managers, Legal Experts, Sales and Brokerage Agents, Sales Staff Management, Project Assistant Directors, Office Managers in Real Estate, Customer Service and Client Care Managers, Business Development and Planning Specialists, Real Estate Investment Advisors, Property Appraisers, Real Estate Managers, and Real Estate Investors.

However, several studies indicate that the quality of the workforce in the Vietnamese real estate industry is currently lagging behind the market's development. In a market-driven economy, to meet the specific requirements of real estate business activities, real estate workforce needs to have interdisciplinary knowledge, including economics, engineering, law, social psychology, and technology. Due to imbalances in the supply and demand for human resources, the current state of the real estate workforce in Vietnam faces the following challenges:

**Table 3** Workforce Demand by Technical Skill Level (%)

Education Level	2022	First 6 Months of 2023
Not Trained	26.2%	24.61%
Elementary Level	6.23%	4.45%
Intermediate Level	54.67%	55.91%
College	8.03%	9.17%
University and Above	4.87%	5.86%
Total	100%	100%

Source: Hanoi Real Estate Club, 2023 [3]

Firstly, the demand for real estate industry personnel has been increasing annually, but the supply of qualified personnel remains relatively low, especially high-quality workforce. Currently, the demand for real estate personnel ranks 7th out of 11 industries with high labor demand. Research indicates that the demand for recruiting in the real estate industry during the 2018-2022 period was quite significant, averaging 4.15% of the total labor demand per year. Many individuals from other fields are also interested in and applying for positions in the real estate industry.

According to statistics from job recruitment websites, over 50% of job postings are related to real estate personnel. The industry frequently recruits labor with high numbers (an average of 20-50 employees per posting) and competitive salaries, making it attractive to job seekers. With the development of the real estate sector, the number of workers in the industry has increased over the years, accounting for 3.86% of the total workforce, with an average annual growth rate of 1.07%. Among these, female workers in the real estate sector constitute 38.68% (approximately 74,913 workers). The demand for real estate industry personnel in the first six months of 2023 accounted for 2.8% of the total labor demand. In 2024, it is expected that real estate business activities will account for 5.07% of the total labor demand in the industry, marking a 1.64% increase compared to the same period in 2023.

According to Figure 3.1, the demand for real estate personnel is on the rise, while the supply of personnel, especially those with specialized training, remains limited. Statistics from the Ministry of Education and Training show that there are very few regular real estate economics training programs at universities. Nationwide, only 16 universities offer specialized real estate programs. In the North, there are schools such as the Department of Economics of Real Estate Management at the National Economics University, Forestry University, University of Technology and Business Management, Hanoi University of Agriculture and Forestry, Hanoi University of Natural Resources and Environment, and Vietnam National University of Agriculture. In the Central region, there are four universities, including Hue University of Agriculture and Forestry, Phan Thiet University, the branch of Ho Chi Minh City University of Agriculture

and Forestry in Ninh Thuan, and Gia Lai. In the South, there are six universities, including Ho Chi Minh City University of Economics, Finance and Marketing University, Ho Chi Minh City University of Agriculture and Forestry, Can Tho University, Van Lang University, and Hoa Sen University.

Secondly, the majority of personnel working in the real estate industry come from diverse backgrounds, but their quality is relatively high compared to other industries in the labor market. A survey conducted in May 2023 by the Forecasting and Development Center for Human Resources Demand in Ho Chi Minh City of 3,000 businesses revealed that employers highly value work ethics, health, professional knowledge, technical skills, and soft skills. A survey by the General Statistics Office also indicated that labor productivity in the real estate industry is more than 10 times higher than the average labor productivity in the economy. However, the real estate workforce is relatively young and constantly changing. The real estate workforce is predominantly aged between 18 and 35, accounting for over 50% of the workforce. The level of job tenure with companies typically ranges from 6 months to 1 year.

**Table 4** Real Estate Workforce Demand by Salary Range (%)

Education Level	2022	First 6 Months of 2023
Less than 5 million VND	4.75%	3.37%
From 5 to 8 million VND	9.82%	6.91%
From 8 to 10 million VND	30.64%	27.36%
From 10 to 15 million VND	22.76%	13.94%
Above 15 million VND	32.03%	48.42%
Total	100%	100%

Source: Hanoi Real Estate Club, 2023[2]

The Jones Lang LaSalle (JLL) Group forecasts that there will be five trends leading the future development of the real estate market in Vietnam. Specifically: (1) The trend of "urban within the urban" or "integrated real estate" for large-scale projects; (2) Remote work in offices; (3) E-commerce driving the logistics and warehouse sector; (4) Real estate businesses embracing sustainability; (5) Investors focusing on the healthcare and wellness sector.

According to JLL, during the period from 2021 to 2025, the real estate market is expected to experience significant growth opportunities, driven by these trends. However, one key challenge is the demand for skilled labor in the industry. It is projected that the annual workforce demand for the real estate business sector in Hanoi alone will be approximately 12,400 to 13,200 people, accounting for about 4% of the total labor demand.

Workforce demand in the real estate industry based on technical expertise levels: A survey conducted in the first six months of 2020 showed that 75.39% of the labor demand was met through training programs. Among these, individuals with a university degree accounted for 5.86%, those with a college degree accounted for 9.17%, those with vocational training accounted for 55.91%, those with basic skills accounted for 4.45%, and untrained labor accounted for 24.61%. However, most employers provide extended training and skill development for newly recruited workers.

According to a survey by BMjob.vn of the top 100 real estate companies, 87.55% of management-level personnel in the real estate industry hold a university degree or higher. Nevertheless, the industry is experiencing a growing shortage of high-quality talent. A significant proportion of the workforce lacks formal training and is primarily concentrated in the real estate brokerage sector.

According to the Hanoi Real Estate Club (2023) [2], in the first quarter of 2023, untrained labor accounted for 14.28% of the workforce, primarily in professions such as chemicals, plastics, rubber, retail, tourism, and real estate.

Workforce demand in the real estate industry based on salary levels: In addition to the base salary offered by businesses, employees in the real estate sector also receive additional income based on their capabilities and job performance. The survey conducted in the first six months of 2023 revealed that 48.42% of the labor demand was for positions with monthly salaries exceeding 15 million VND, mainly for roles such as project directors, real estate development managers, sales team managers, and real estate investors. Positions with monthly salaries ranging from 10-15 million VND accounted for 13.94%, those from 8-10 million VND accounted for 23.36%, and those from 5-8 million VND

accounted for 6.91%. Demand for positions with salaries below 5 million VND per month was very low, at 3.37% of the total labor demand in the real estate industry.

Workforce demand in the real estate industry based on work experience: In 2022, according to research by the Human Resource Forecast and Development Center in Hanoi, personnel with less than 1 year of experience in the real estate business accounted for 40.96%, primarily in positions such as urban planning and real estate development specialists and real estate value appraisers. In the first quarter of 2023, individuals with less than 1 year of experience in the real estate industry accounted for 34.47% of the total labor demand in the industry. Those with 2 or more years of experience accounted for 16.24%, mainly in positions such as assistant project directors, real estate business development directors, and real estate management advisory department heads. Additionally, demand for workers with no work experience was relatively high at 42.8%, with a focus on positions such as real estate salespeople, real estate consultants, real estate brokers, and customer service representatives in real estate project planning and services.

### 3.2 Challenges

The first challenge lies in the difficulty of resolving legal issues in real estate projects. According to Mr. Chuong, in reality, legal complications are the most significant obstacles, accounting for 70% of the difficulties faced by real estate and housing projects during their preparation, construction, and operation phases. Cumbersome administrative procedures, lack of consistency, and poor communication have led to prolonged execution times for real estate and commercial housing projects.

Additionally, legal regulations and procedural requirements related to land and real estate projects have not been harmonized due to a lack of synchronization among specialized laws in the field. Furthermore, the bond market is tightly controlled, making it challenging for businesses to raise funds through bond issuance (due to the impact of Decree 65/2022/NĐ-CP) [4]. Many enterprises have issued large volumes of bonds, ranging from hundreds of billion to tens of trillions of Vietnamese đồng, with repayment deadlines in late 2022 and 2023. This poses significant pressure on many real estate businesses in the near future. Some companies may also face the pressure of repaying bonds ahead of schedule due to various factors, including changes in bond issuance control policies.

On the other hand, low-quality planning, lack of consistency, a lack of long-term vision, and an inability to keep pace with the rapid economic and urbanization development have contributed to significant shortcomings in short-term thinking in the planning and regulatory adjustment processes. This, in turn, has had a substantial impact on the implementation of real estate projects and the supply of real estate in most provinces and cities.

Credit capital sources in the market have been distorted, and their impact is currently limited. Strict state control of credit sources for the real estate sector has made it extremely challenging for businesses. Some enterprises face the risk of bankruptcy or selling projects at lower prices to foreign companies due to a lack of credit and funding.

Furthermore, the stock market's decline has also had a significant impact on capital inflow into the real estate market. The third challenge for real estate is the market itself. Mr. Chuong believes that the real estate market will continue to be stagnant due to the wait-and-see attitude of the government. Real estate prices remain high, even though transactions in the market have slowed down, and some areas have experienced a complete lack of transactions. The aftermath of the land fever in 2020 and 2021 has driven prices to excessive levels, making it difficult to find properties with reasonable prices and reducing the affordability for many prospective buyers. Currently, the real estate market is suffering from an imbalance between supply and demand due to a continuous decline in supply since 2018. The imbalance is further exacerbated by the fact that the majority of people are in need of affordable housing, priced at around 30 million VND/m<sup>2</sup> or lower, or social housing, but both types are currently in short supply.

Mr. Nguyễn Thọ Tuyển, Chairman of BHS Group, also points out four negative factors affecting the current real estate market. Firstly, property prices are increasing rapidly, with some land projects in Hanoi's western areas reaching prices ranging from 30 million to over 100 million VND/m<sup>2</sup>. Secondly, there are credit issues, with Mr. Tuyển noting that some projects with signed sales contracts had their disbursement halted by banks due to credit limits being exhausted. This directly affects market liquidity and investors' ability to pay. Thirdly, the supply chain has been disrupted, leading to a sharp increase in the prices of construction materials, contributing to rising property prices. Lastly, inflation is casting a shadow over the economy in general and the real estate market in particular.

### 3.3 Some solution

To address the existing issues and shortcomings mentioned and continue promoting a safe, healthy, and sustainable real estate market in the future, the following actions are needed:

Review and update legal regulations to address immediate and long-term issues, aiming to establish effective, appropriate, and coherent policy tools to ensure connectivity and safety between capital markets and the real estate market. Diversify funding sources for the real estate market. Promote decentralization and empowerment at various levels. Conduct thorough research and propose experimental policy mechanisms to incentivize and stimulate market development. Avoid tightening unreasonable credit. Enhance monitoring and supervision without excessively restricting state management. Avoid criminalizing economic-civil relationships. Proactively detect, prevent, and address violations in accordance with legal regulations, especially tax evasion in real estate business. Protect those who act in accordance with the law, safeguard state, citizen, and business interests in a harmonious manner. Harmonize fiscal and monetary policies and implement flexible, safe, cautious monetary policies. Expand fiscal policies reasonably and focus on ensuring the effectiveness and strict management of prices and markets. Avoid abrupt policy shifts from "relaxation" to strict control or vice versa.

Government ministries, sectors, and localities should focus on the comprehensive implementation of tasks and solutions stated in Government Resolution No. 11/NQ-CP [5] on Economic and Social Recovery and Development Program. Concentrate on attracting investments, stimulating production and business activities, generating employment across various sectors and regions, stabilizing macroeconomic conditions, controlling inflation, and ensuring the large balance of the economy.

Provide specific and accurate assessments of the supply and demand situation to develop the real estate market while respecting market laws and competition. Leverage state management roles and policy tools to intervene and control appropriately and timely without market manipulation or price rigging. Identify market segments and needs, such as industrial real estate, housing for industrial workers, and affordable housing, to formulate appropriate policies that focus on social welfare and provide opportunities for low-income individuals. Avoid sacrificing social progress and fairness for economic growth alone.

Develop strategic infrastructure to create new development spaces and drive the formation of new industries, services, and urban areas. Strengthen inspections, audits, and oversight to resolve obstacles and address violations. Protect the market, assets, and people while objectively assessing causes and implementing mechanisms to resolve practical challenges.

Improve communication through effective means, promote education, and enhance financial and legal knowledge among the general population, in educational institutions, and through other channels. Establish a real estate market information system linked to land information, improve the legal framework, and increase non-cash transactions in real estate dealings. Urgently revise and perfect relevant legal frameworks for real estate to ensure consistency, remove difficulties and obstacles, and create favorable conditions for stable and healthy real estate market development.

The Ministry of Construction should lead and coordinate with relevant ministries and sectors to establish working groups to direct, guide, and urge localities in implementing Government Resolution No. 11/NQ-CP [5] on Economic and Social Recovery and Development Program, especially regarding policies to support social housing development, housing for industrial workers in industrial zones, and the renovation and reconstruction of old apartment buildings. Direct, guide, and coordinate with localities to review, supplement land planning and allocation for social housing development and housing for industrial workers in accordance with legal regulations, ensuring the 20% land allocation requirement for social housing and housing for industrial workers in residential and urban projects is strictly adhered to. Direct, guide, and coordinate with localities to review, compile, and publish a list of investors in social housing, housing for industrial workers, and the renovation and reconstruction of old apartment buildings who are eligible for a 2% interest rate support through the commercial banking system.

The Ministry of Construction should lead and coordinate with relevant ministries and sectors to research and propose policies to stimulate the development of social housing and housing for industrial workers in industrial zones. Improve and implement a transparent information system for housing and real estate markets. Control the capital mobilization of real estate businesses on the stock market, preventing speculation and manipulation. The Ministry of Finance should promptly amend Decree No. 153/2020/NĐ-CP dated December 31, 2020 [6], on private placements and bond issuances by enterprises in the domestic market and the international market. Control the capital mobilization activities of real estate businesses on the stock market to prevent speculation and manipulation. The Ministry of Finance should cooperate with the State Bank of Vietnam to inspect and supervise compliance with legal regulations on issuing, investing, and providing services related to corporate bonds, especially private placements of bonds by real estate businesses and credit institutions related to real estate businesses, large-scale bond issuers, high-interest rate issuers, and businesses with operating losses. Regulations on the issuance of bonds in accordance with legal regulations and facilitate capital mobilization to support recovery and development. Research, improve, and implement tax policies in

line with the reality of the real estate sector to encourage efficient land and property use. Contribute to reducing real estate speculation and ensuring a reasonable source of revenue for the state budget, aligned with the economic and social conditions of Vietnam and international practices.

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#### **4 Conclusion**

Real estate is one of the markets with a significant position and role in the national economy, directly related to other financial markets such as the currency market and labor market. Real estate investment and business activities are among the key economic sectors, contributing to revenue generation for the state budget and accounting for a substantial proportion of the total domestic product for a country. However, the current development of the real estate market in Vietnam still faces many limitations and challenges, necessitating improvements and solutions to ensure its stable and sustainable growth in the future. The state needs to develop, amend, and supplement appropriate legal policies to foster the real estate market and facilitate the mobilization of all resources for land investment to serve the country's economic and social development. Currently, our country's real estate market is developing within a fairly extensive unregulated scope, with a considerable level of uncertainty. This situation has multiple causes, with one significant factor being that state management has not been able to keep pace with the situation. Therefore, to develop the real estate market in a regulated direction and further enhance the unique role of the real estate market in the country's industrialization and modernization process, improving state management is of paramount importance.

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