

Da Nang Real Estate: Driven by Infrastructure, Poised for Long-Term Growth

HOT TOPICS

- **Office:** The asking rents in Da Nang remain competitive at US\$13/sqm/month in Q1 2026 (approximately US\$16/sqm/month in the CBD), providing an advantage for tenants looking to expand or establish satellite offices. Looking ahead, supply is expected to increase significantly, with more than 100,000 sqm of NLA projected by 2028. The IFC Da Nang is anticipated to serve as the key driver, fostering the development of high-quality office projects.
- **Retail:** By Q1 2026, the total retail space supply reached 83,483 sqm, accounting for less than 10% compared to Hanoi and HCMC, highlighting strong growth potential. The average asking rent stood at US\$29.8/sqm/month. From 2020 to the present, the rental growth has reached 10% annually, approaching Ho Chi Minh City's 12%. The overall market vacancy rate is 12.1%.
- **Residential:** During the 2024–2025 period, Da Nang recorded a significant surge in new launches, with more than 8,000 condominium units introduced to the market. Prior to 2024, annual new supply remained modest at fewer than 1,000 units per year. As of Q1 2026, cumulative condominium supply in Da Nang reached approximately 16,000 units, equivalent to 5% of HCMC's stock. The average primary price was VND 83 million per sqm. Despite elevated price levels, the market reported a strong cumulative absorption rate of 89%.
- **Industrial land:** The industrial market in Central Vietnam is drawing interest for FDI, supported by competitive costs, available land, and ongoing improvements in logistics infrastructure. The region has the potential to alleviate some pressure on traditional industrial hubs in the North and the South, where development density is already high.
- **RBW/RBF:** Regarding the supply of RBF, the market is witnessing a clear differentiation between regions. Currently, the total supply of RBF is over 9 million sqm, mainly concentrated in the two economic hubs: the South leads with 59% market share, followed by the North with 38%. Meanwhile, the RBF supply in the Central region remains relatively modest, accounting for only about 3% of the total national supply.

ECONOMIC OVERVIEW

The elevation of Thua Thien Hue to a centrally governed city in 2025, together with expansion initiatives in Da Nang and Khanh Hoa, has positioned Central Vietnam as a dynamic hub for industrial and logistics growth, establishing a strong foundation alongside the country's northern and southern regions.

The three main drivers of the Central Vietnam market include:

- Infrastructure breakthroughs: The North-South Expressway and free trade zones alleviate logistics bottlenecks, creating space for large-scale projects.
- FDI advantages: With industrial land lease rent at only US\$63/sqm (50%-60% lower than in the North/South), Central Vietnam is a strategic destination for international capital.
- Real estate with real value: The recovery of tourism and transparent legal frameworks are boosting housing supply. Da Nang alone is expected to welcome more than 5,000 new condominiums in 2026.

Office

Office rents remain competitive

As of Q1 2026, the total office supply in Da Nang reached 168,831 sqm NLA, with the majority concentrated in Hai Chau District, the city’s administrative and commercial center.

Since late 2024, the market has begun to show signs of improvement, with more than 20,000 sqm of NLA of new supply completed.

In Q1 2026, the average asking rents in Da Nang reached US\$13/sqm/month. Notably, asking rents in the CBD reached approximately US\$16/sqm/month, 35% higher than in the non-CBD areas, which averaged US\$12/sqm/month. Compared to HCMC and Hanoi, office asking rents in Da Nang remain competitive, reinforcing its cost advantage for companies considering expansion or establishing satellite offices in this market.

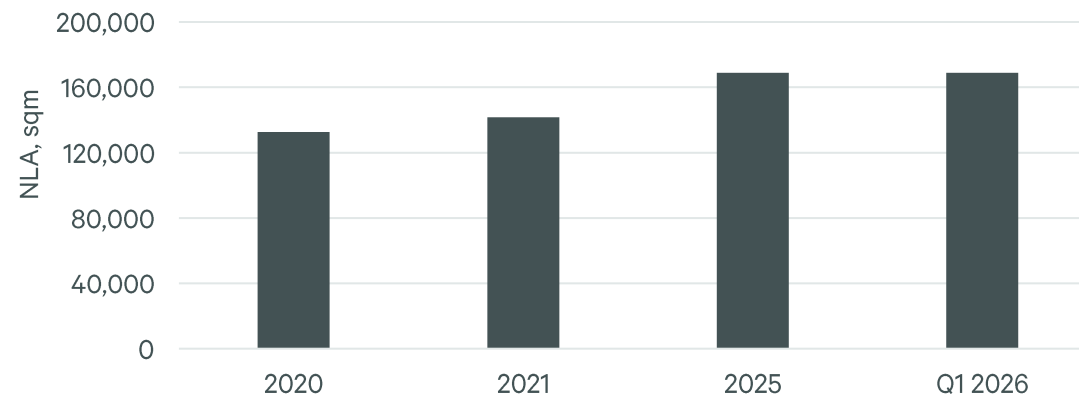
The average vacancy rate in Da Nang stood at 18.6% in Q1 2026, down by 2.6 percentage points compared to 2025, reflecting improved leasing demand, particularly in newly completed, high-quality buildings.

Demand for large-space leasing mainly came from the Information Technology and Services sectors, accounting for 29% and 32%, respectively. The Banking/Finance and Manufacturing sectors also recorded increased interest, representing 7% and 5%, indicating a diversification of tenant demand. Notably, the market began to record large-scale transactions of 1,000–2,000 sqm from international tenants.

IFC Da Nang: A catalyst for future high-quality office supply

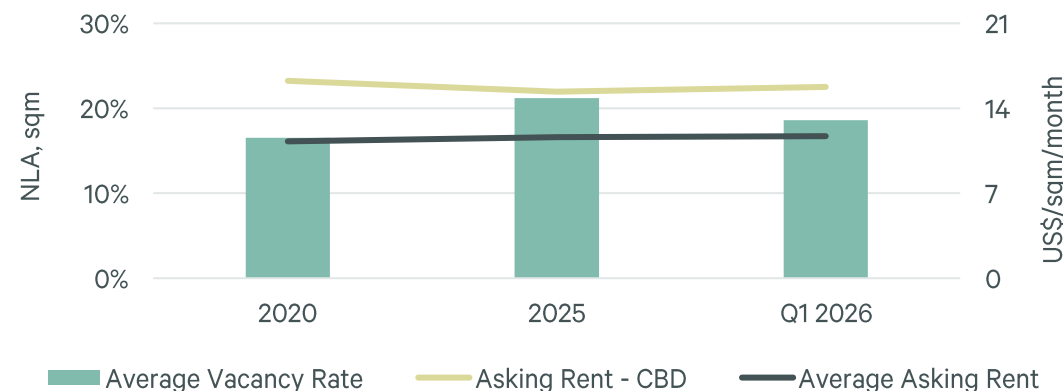
Over the next three years, Da Nang’s office market is expected to see a stronger supply pipeline, with more than 100,000 sqm of new NLA projected by 2028F. Notably, the establishment of the International Financial Centre (IFC Da Nang) by the end of 2025, covering approximately 300ha and comprising multiple functional zones with a tourism–commercial development orientation, is expected to mark a pivotal milestone that significantly reshapes the dynamics of the local office market.

FIGURE 1: Office Real Estate Market – Cumulative Supply by Year



Source: CBRE Research & Consulting, Q1 2026.

FIGURE 2: Office Real Estate Market – Market Performance (*)



(*) Asking rent is exclusive of service charge and VAT. Da Nang data presented on a pre-consolidation basis
 Source: CBRE Research & Consulting, Q1 2026.

Retail

Growth potential driven by limited supply

In 2025, Da Nang’s total retail sales of goods and consumer service revenue were estimated at VND 251.7 trillion, representing a strong increase of 21.7% y-o-y. The city’s position as a leading regional tourism hub continues to serve as a solid foundation, driving demand for shopping, dining, and premium retail experiences.

As of Q1 2026, total retail supply reached 83,483 sqm, accounting for less than 10% of the total supply in Hanoi and HCMC.

According to CBRE, the average asking rent stood at \$29.8/sqm/month. Rental growth has recorded a compound annual growth rate (CAGR) of 10% since 2020, approaching the 12% level observed in HCMC.

The market vacancy rate is 12.1%, decreasing by 5.8 percentage points y-o-y. Fashion and Accessories dominate the tenant mix with approximately 50% share, followed by Food & Beverage (20%) and Lifestyle (15%). Meanwhile, supermarkets remain key anchor tenants, typically occupying around 50% of total NLA in existing projects.

A notable trend is the expanding of brands beyond Da Nang into Hoi An, capitalizing on tourism flows and the growing “heritage–culture–retail” integration trend to create interconnected, multi-destination consumer journeys.

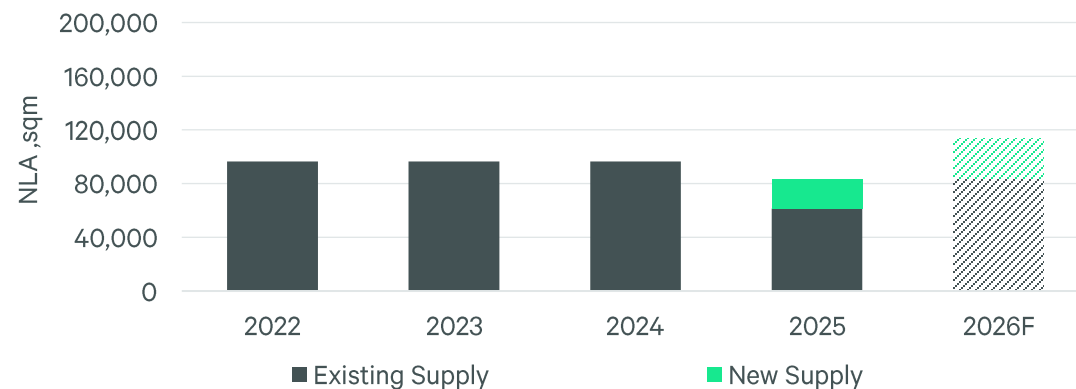
Market Outlook

In the coming years, the market is expected to welcome the entry of several major retailers, elevating operational standards, diversifying consumer experiences, and enhancing competitiveness. Notable entrants include Aeon Vietnam, Vincom Retail, and THACO Retail.

Da Nang’s retail market is shifting toward a multi-nodal structure, with decentralization from the traditional city center to emerging growth corridors aligned with expanding urban infrastructure. Shopping malls are increasingly evolving into “experiential retail” and “green consumption”, integrating retail with entertainment, culture, arts, and sustainability-oriented developments.

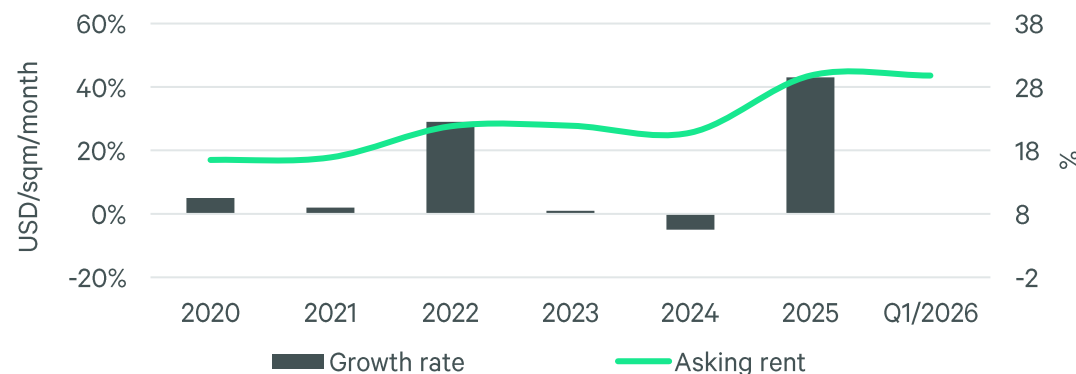
This growth momentum is further supported by a wave of high-rise and luxury residential projects, which are attracting a rising base of high-income consumers—considered the key target segment for future modern retail formats.

FIGURE 3: Retail Real Estate Market – Cumulative Supply by Year



Source: CBRE Research & Consulting, Q1 2026.

FIGURE 4: Retail Real Estate Market – Market Performance (*)



(*) Asking rent is exclusive of service charge and VAT.

Source: CBRE Research & Consulting, Q1 2026.

Residential

New supply increased sharply

During the 2024–2025 period, Da Nang recorded a significant surge in new launches, with more than 8,000 condominium units launched. Prior to 2024, annual new supply remained modest at fewer than 1,000 units per year.

As of Q1 2026, cumulative **condominium** supply in Da Nang reached approximately 16,000 units, equivalent to around 5% of HCMC’s stock. The average primary price stood at approximately VND83 million/sqm. Despite elevated pricing levels, the market maintained a strong cumulative absorption rate of 89%.

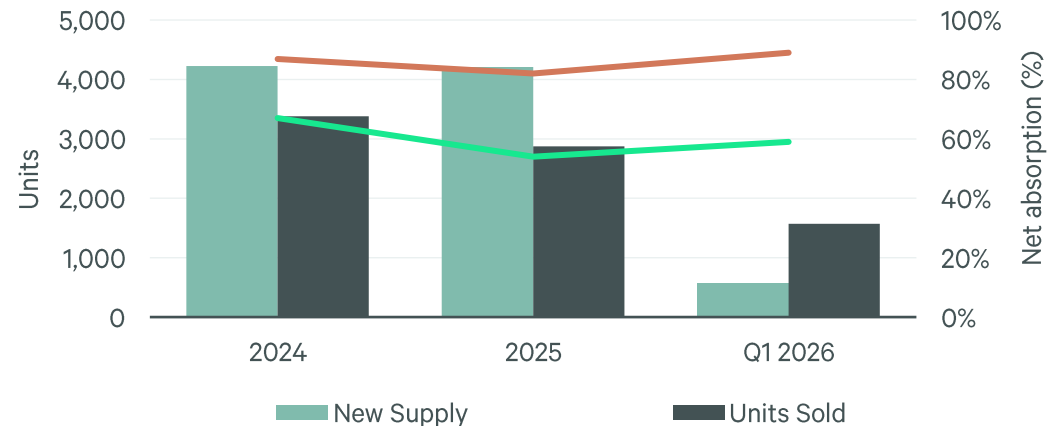
For landed properties, including townhouses and villas, Q1 2026 recorded 800 newly launched units, primarily from the large-scale Vinhomes Hai Van Bay township (over 512 hectares). The average market price reached VND147 million/sqm of land, with certain primary units exceeding VND200 million/sqm and even reaching up to VND430 million/sqm (inclusive of built structures). Similar to HCMC, landed properties remain high-value products with limited annual new supply.

Market Trends

The high-end segment is rapidly expanding in Da Nang. In 2025, nearly 60% of new supply was positioned in the high-end segment. Notably, by Q1 2026, 100% of newly launched inventory had reached the luxury segment. This upgrading trend has driven the average price to increase by 12% y-o-y. Amid rising price pressures, sales rates for new projects are currently maintained at 50–60%. However, Da Nang continues to stand out as an attractive investment destination, supported by healthy rental yields, underpinned by strong tourism flows and a vibrant short-term accommodation market.

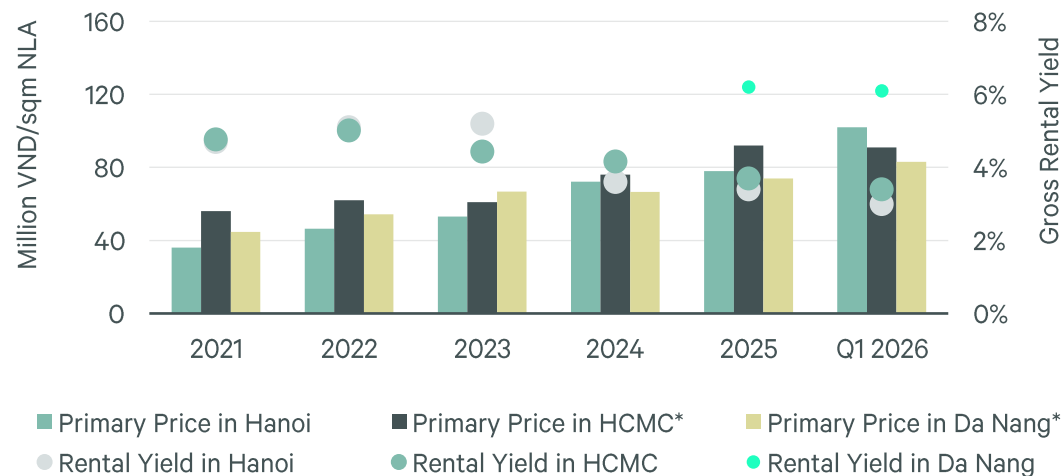
Looking ahead, the market is expected to continue welcoming robust supply, with an average of 5,000 new condominium units and 2,000 landed properties added annually. The presence of leading developers and international operators is expected to further elevate the city’s urban positioning.

FIGURE 5: Condominium Real Estate Market – Market Performance



Source: CBRE Research & Consulting, Q1 2026.

FIGURE 6: Condominium Real Estate Market – Apartment Rental Yields in Selected Major Cities



Source: CBRE Research & Consulting, Q1 2026.

Gross rental yields are compiled from a selected basket of high-end apartment projects.

(*) Market dynamics for HCMC and Da Nang reflect conditions prior to administrative consolidation.

Industrial Market in Central

Industrial Land Market

According to CBRE, industrial land asking rents in Central Vietnam remain highly competitive, approximately 50% to 60% lower than those in Tier-1 markets in the North and the South. Specifically, average industrial land lease rates in the region are around \$63/sqm per lease term, compared to \$143/sqm in the North and \$185/sqm in the South. This advantage enables developers to optimize initial investment expenditures, particularly for export-oriented industries and businesses requiring large land banks.

In addition, investment incentive policies in the region—such as corporate income tax reductions and exemptions on machinery import duties in various localities, combined with ongoing administrative reforms aimed at fostering a transparent and business-friendly environment, are creating strong momentum for attracting high-quality foreign direct investment (FDI).

Development Potential of the Ready-Built Warehouse/Factory (RBF)

In terms of ready-built factory supply, the market is witnessing a clear regional divergence. To date, total ready-built factory supply has exceeded 9.0 million sqm, primarily concentrated in the country’s two key economic regions. The Southern region leads with a 59% market share, followed by the Northern region with 38%. Meanwhile, Central Vietnam remains relatively underdeveloped, accounting for only around 3% of the national RBF supply.

From a quality and technical standards perspective, multi-storey factory models and green-certified (ESG-compliant) developments are increasingly becoming the norm in the North and South, in order to meet the stringent requirements of international tenants. In contrast, Central Vietnam continues to be dominated by traditional single-storey factory models.

In conclusion, with ongoing positive developments in Central Vietnam’s industrial real estate market, the region is well-positioned to enter a new growth cycle, offering compelling strategic opportunities for both infrastructure developers and manufacturing enterprises.

FIGURE 7: Industrial Real Estate Market – Occupancy Rate

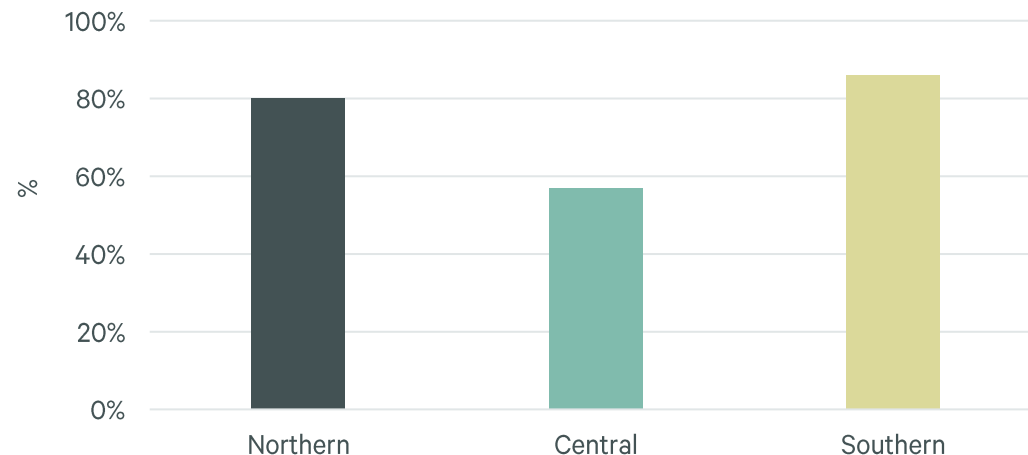
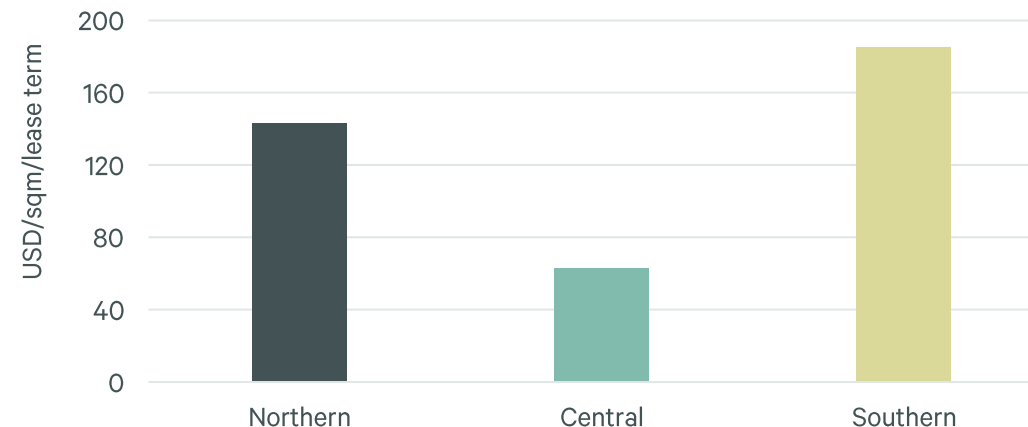


FIGURE 8: Industrial Real Estate Market – Average Asking Rent



Source: CBRE Research & Consulting, Q1 2026.

Note: Tier-1 markets in the Northern: Hanoi, Hai Phong, Bac Ninh, Hung Yen, and Hai Duong.

Central: Thanh Hoa, Nghe An, Ha Tinh, Quang Binh, Quang Tri, Hue, Da Nang, Quang Nam, Quang Ngai, Kon Tum, Gia Lai and Binh Dinh.

Southern: HCMC, Dong Nai, Binh Duong, Long An, and Ba Ria – Vung Tau.



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