



BE VIETNAM WISE · DOING BUSINESS IN VIETNAM

The guide for foreign and Vietnamese investors

Chapter 5 of 11

Land & Real Estate

No one owns land in Vietnam outright. Investors hold land use rights granted or recognised by the State, and the form in which those rights are held decides what can be done with them: whether they can be sold, mortgaged or contributed to a joint venture, what rent is paid, and what compensation is due if the State takes the land back. This chapter explains the regime as it stands on 10 October 2026, after the Land Law 2024, the 2026 reforms in Resolution No. 254/2025/QH15 and with a further amending law before the National Assembly.

Reviewed 10 October 2026. Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law.

Legal and tax information, not legal advice. Rates, thresholds and procedures change: confirm anything important with the relevant authority or a lawyer licensed to provide legal services in Vietnam before you act. Only the Vietnamese text of a law is authoritative.

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Land & Real Estate

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AT A GLANCE

Governing law

- [Land Law No. 31/2024/QH15](#) (in force 1 August 2024), as amended by [Laws No. 43/2024/QH15](#), [47/2024/QH15](#), [58/2024/QH15](#), [71/2025/QH15](#), [84/2025/QH15](#), [93/2025/QH15](#), [95/2025/QH15](#), [116/2025/QH15](#) (Cybersecurity, 10 December 2025, in force 1 July 2026), [130/2025/QH15](#) (Civil Aviation, 10 December 2025, in force 1 July 2026), [142/2025/QH15](#), [146/2025/QH15](#) and [147/2025/QH15](#) (all 11 December 2025); consolidated text No. 44/VBHN-VPQH of 16 March 2026
- [Draft amended Land Law \(Draft No. 01 of 20 July 2026\)](#), before the National Assembly at its October 2026 session, proposed effective date 1 March 2027; not yet law
- [National Assembly Resolution No. 254/2025/QH15 on mechanisms to resolve difficulties in implementing the Land Law](#) (in force 1 January 2026), guided by [Decrees No. 49/2026/ND-CP](#) and [50/2026/ND-CP](#) (in force 31 January 2026)
- [Decrees No. 101/2024/ND-CP](#), [102/2024/ND-CP](#), [103/2024/ND-CP](#), [71/2024/ND-CP](#) and [88/2024/ND-CP](#) implementing the Land Law (registration, general rules, land levy and rent, land prices, compensation), as amended
- [Housing Law No. 27/2023/QH15](#) and [Decree No. 95/2024/ND-CP](#); [Law No. 29/2023/QH15 on Real Estate Business](#) and [Decree No. 96/2024/ND-CP](#)
- [Decree No. 35/2022/ND-CP on industrial parks and economic zones](#) (as amended); [Decree No. 99/2022/ND-CP on registration of security interests](#)

Who you will deal with

- Ministry of Agriculture and Environment (MAE): national land policy, the land information system and land registration standards
- Provincial People's Councils (land price tables) and People's Committees (land allocation, lease, change of use and recovery for organisations; annual price adjustment coefficients)
- Provincial Departments of Agriculture and Environment and their land registration offices: certificates, registration of transactions and mortgages
- Tax Department (Cuc Thue) and local tax offices: land rent and land use levy notices and collection
- Ministry of Construction and provincial Departments of Construction: housing and the real estate market; zone management boards and, since 15 September 2026, the Ministry of Industry and Trade for industrial parks

Key figures

Land use term for a project	Up to 50 years (70 in defined cases)
Annual rent unit price	0.25% to 3% of the land price, fixed for 5 years
Non-use before recovery	12 months, or 24 months behind schedule
Paid extension for non-use	Up to 24 months
Foreign ownership of apartments	30% per building; 250 houses per ward-level area
Foreign individual's housing term	50 years, renewable once for up to 50
Equity for a real estate project	20% of capital (under 20 ha); 15% (20 ha or more)
Off-plan deposit cap	5% of the sale price

What changed in 2025–26

- From 1 January 2026 Resolution No. 254/2025/QH15 lets most State lessees choose between annual and one-off rent, including lessees whose leases predate it.
- Land use levy, land rent and compensation are now calculated on the provincial land price table and an annual adjustment coefficient, replacing most case-by-case specific land valuations.
- The State may recover land for projects in free trade zones and the international financial centre, and the remaining land where an investor has agreed terms for more than 75% of the area and of the land users.
- Lessees paying annual rent may sell the buildings on their land once construction is complete and lawful, and mortgages are now recorded in the land database without endorsement of the certificate.
- State management of industrial parks moved from the Ministry of Finance to the Ministry of Industry and Trade on 15 September 2026, and an amended Land Law is before the National Assembly with a proposed effective date of 1 March 2027.

Who this applies to. Foreign-invested companies hold land use rights in their own name by State lease, industrial park sublease, allocation for housing projects, capital contribution from a Vietnamese partner or acquisition of a landholding company. Foreign individuals cannot hold land use rights but may own a limited number of homes. Vietnamese companies and citizens have wider routes, including buying land use rights from other users and taking transfers of agricultural land.

Land use rights, not ownership

Article 53 of the Constitution and the Land Law treat land as the property of the entire people, with the State as representative owner and unified manager. What investors acquire is a land use right: a right granted for a purpose, usually for a fixed term, against a payment to the State, recorded on a certificate of land use rights and ownership of assets attached to land. Land Law No. 31/2024/QH15, in force since 1 August 2024, is the governing statute, implemented by a family of 2024 decrees and, since 1 January 2026, modified by National Assembly Resolution No. 254/2025/QH15. The framework, the categories of land and land user, the certificate and the authorities are set out in [Land use rights and the Land Law](#).

Two consequences run through the whole chapter. First, the right is only as good as its form: land allocated against a land use levy, or leased with rent paid once for the whole term, can be transferred, sublet, mortgaged and contributed as capital, while land leased with annual rent generally cannot, although the buildings on it can be dealt with. Second, the right is tied to a project: the term, the purpose and the timetable are set by the investment registration and the land decision together, and land left unused can be recovered.

How a foreign investor gets land

A foreign individual cannot hold land use rights. A foreign-invested company can. For land purposes a company is foreign-invested only if it must follow the foreign-investor procedures under the Law on Investment, broadly when it is more than 50% foreign-owned (Article 3(46) of the Land Law); a company at or below that threshold is a domestic land user. Article 28 of the Land Law lists a foreign-invested company's routes: a lease from the State, a sublease of serviced land in an industrial park, high-tech park or industrial cluster, allocation of land for a housing project built for sale, a capital contribution of land use rights by a Vietnamese partner, and the acquisition of a company that already holds land. Buying land use rights directly from Vietnamese households, which Vietnamese companies can do, is generally closed to it. Each route has its own approvals, payment structure and risks, and the choice is usually made before the project is registered; the comparison and a decision guide are in [How foreign-invested companies access land](#). Projects that ask the State for land without an auction or tender, or for a change of land use, first need investment policy approval, explained in [Investment policy approval](#), and a deposit under Article 30 of the Law on Investment, covered in [The Investment Registration Certificate](#).

What land costs: rent, levy and the 2026 price reforms

The State charges a land use levy on allocated land and rent on leased land, paid annually or once for the whole term. Annual rent is the land price multiplied by a percentage of 0.25% to 3% set by the province, fixed for five-year cycles with increases capped by reference to inflation. Resolution No. 254/2025/QH15 made two changes that every investor should understand: the land price table decided by the provincial People's Council, multiplied by an adjustment coefficient set each year by the People's Committee, now drives levy, rent and compensation in most cases; and lessees may generally choose their payment method, so a manufacturer on annual rent can convert to one-off rent and acquire transferable, mortgageable rights. The calculations, a worked comparison of annual and one-off rent, the land use tax and the link to land rent incentives are in [Land rent, land prices and Resolution 254](#); the incentives themselves are in [Investment incentives](#).

Industrial parks, housing and offices

Most foreign manufacturers never deal with the State as landlord. They sublease serviced land from an industrial park developer, or rent a ready-built factory, and their rights follow the developer's own lease and payment method under Article 202 of the Land Law. Park selection is therefore a due diligence exercise on the developer as much as a commercial negotiation, and since 1 October 2025 a park

location no longer brings a corporate income tax incentive on its own. Zone types, the role of management boards, the Article 28 special investment procedure and a lease checklist are in [Industrial parks and economic zones](#).

Foreign individuals and foreign-invested companies may own homes in commercial housing projects, within caps of 30% of the apartments in a building and 250 houses in a ward-level area, and an individual's ownership lasts 50 years, renewable once. A draft amendment published in September 2026 would bar foreigners from villas and townhouses. Offices are leased under the Civil Code and the Law on Real Estate Business, and a residential apartment cannot serve as a company's head office. These rules are in [Housing and offices for foreigners](#).

Protecting the investment: title, security and recovery

Before buying, leasing or lending against land, the investor checks the certificate against the land register, the planning status, the term and payment position, encumbrances, construction permits and completion records. Mortgages of land use rights may be granted only to credit institutions licensed to operate in Vietnam, must be notarised and are registered with the land registration office under Decree No. 99/2022/ND-CP, so offshore lenders rely on onshore security agents. The method and a checklist are in [Title due diligence and security over land](#).

The State may recover land for defence and security, for socio-economic development in the 31 cases in Article 79 of the Land Law and the cases Resolution No. 254/2025/QH15 added, and for violations, including land left unused for 12 months or 24 months behind schedule. Compensation is now based on the price table and coefficient, and a lessee on annual rent is compensated for its remaining investment and assets rather than for the land. The procedure, the timelines, the complaint routes and the use of investment guarantees are in [Land recovery, compensation and non-use](#), with the treaty position in [Investment guarantees and treaties](#).

Developing real estate, and what is coming next

Developing property for sale or lease is a conditional business line for foreign investors and a regulated activity for everyone under Law No. 29/2023/QH15 on Real Estate Business. A developer must be an enterprise with equity of at least 20% of the project's investment capital, or 15% for projects of 20 hectares or more; a majority foreign-owned developer may build for sale, lease and lease-purchase on land allocated or leased to it, but may collect no more than 50% of the price of off-plan housing before handover. Off-plan sales need a bank guarantee, and projects can be transferred only on conditions. The rules and the structures foreign developers use in practice are in [Real estate business and development projects](#), with acquisitions of project companies in [Chapter 8](#).

The regime is about to move again. An amended Land Law, released in draft on 20 July 2026, is before the National Assembly at its October 2026 session with a proposed effective date of 1 March 2027; it would remove the specific land price mechanism, change the treatment of unused land and widen the grounds for recovery. Investors negotiating land positions now should build the possibility of these changes into their timetables and contracts, and confirm the final text once it is passed.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Land Law No. 31/2024/QH15, Articles 3(46), 4, 9, 27, 28, 41, 121 and 172; Resolution No. 254/2025/QH15 — <https://vbpl.vn>
- Ministry of Agriculture and Environment (land administration) — <https://mae.gov.vn>
- Government portal (chinhphu.vn): Decrees No. 101/2024/ND-CP, 102/2024/ND-CP, 49/2026/ND-CP and 50/2026/ND-CP — <https://chinhphu.vn>
- Official Gazette (congbao.chinhphu.vn) — <https://congbao.chinhphu.vn>
- Ministry of Finance: Law No. 143/2025/QH15 on Investment, Articles 21, 24 and 30 — <https://mof.gov.vn>
- National Business Registration Portal (changes of members and shareholders) — <https://dangkykinhdoanh.gov.vn>
- Tax Department (land rent and land use tax administration) — <https://gdt.gov.vn>
- Ministry of Industry and Trade: transfer of industrial park functions from 15 September 2026 — <https://moit.gov.vn>
- Ministry of Construction (housing and the real estate market) — <https://moc.gov.vn>
- Immigration Department (temporary residence of foreigners) — <https://xuatnhapcanh.gov.vn>
- Ministry of Justice (registration of security over movable assets) — <https://moj.gov.vn>
- State Bank of Vietnam (licensed credit institutions) — <https://www.sbv.gov.vn>

Land use rights and the Land Law 2024: State ownership on behalf of the people, land categories and land users, the certificate, and the authorities that administer land

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WHAT YOU NEED TO KNOW

- Land belongs to the entire people, with the State as representative owner and unified manager; investors hold land use rights for a purpose and, for projects, a term of up to 50 years or 70 in defined cases (Article 53 of the Constitution; Articles 4 and 172 of Land Law No. 31/2024/QH15).
- The Land Law in force since 1 August 2024 is implemented by Decrees No. 101/2024/ND-CP, 102/2024/ND-CP, 103/2024/ND-CP, 71/2024/ND-CP and 88/2024/ND-CP, and has been modified from 1 January 2026 by Resolution No. 254/2025/QH15, which prevails where it differs (Article 13 of the resolution).
- Land is classified as agricultural, non-agricultural or unused land (Article 9), and a change from one use to another needs permission consistent with planning (Article 121).
- A foreign-invested company is a land user; a foreign individual is not, and may only own housing under the Housing Law; the rights a company enjoys depend on whether its land was allocated, leased with one-off rent or leased with annual rent (Articles 4, 28 and 41).
- Rights are recorded on a single certificate of land use rights and ownership of assets attached to land, issued and registered by the land registration office of the provincial Department of Agriculture and Environment; national policy sits with the Ministry of Agriculture and Environment.

No one owns land: what the investor actually holds

Article 53 of the Constitution declares land, water and other natural resources to be public property owned by the entire people, with the State as representative owner and unified manager. Land Law No. 31/2024/QH15 builds on that principle. The State, acting as owner's representative, decides land use planning, fixes the purpose for which each plot may be used, allocates or leases land or recognises existing use, sets land prices, decides the financial obligations of land users, and recovers land in the cases the law allows. It does not sell land. What a business acquires is a **land use right** (quyền sử dụng đất): a property right, recognised by the Civil Code, to use a defined area for a defined purpose, usually for a defined term, against a payment to the State.

A land use right is nevertheless a valuable, tradeable asset. Depending on the form in which it is held, it can be transferred, leased, sublet, mortgaged and contributed as capital. Buildings on the land are owned outright by whoever built or bought them, and the land use right and the assets attached to land

are normally recorded and dealt with together. The practical question is therefore which form of land use right the investor can obtain and what that form allows it to do; the routes are in [How foreign-invested companies access land](#).

Land used for an investment project is held for a term. Under Article 172 of the Land Law the term is generally the project's operating term, up to 50 years, and up to 70 years for projects with large capital and slow payback or in areas with difficult or extremely difficult socio-economic conditions; a compliant land user may apply for an extension before expiry. Residential land used by Vietnamese households and individuals, by contrast, is held on a stable, long-term basis without a fixed term. The term recorded on the land decision and the certificate should match the term in the Investment Registration Certificate, which is fixed under Article 31 of the Law on Investment ([The Investment Registration Certificate](#)).

The Land Law 2024 and the instruments that implement it

The Land Law was passed on 18 January 2024 and took effect on 1 August 2024, five months earlier than first planned, replacing the Land Law 2013. It has since been amended by twelve laws: Law No. 43/2024/QH15, which brought the effective date forward; Laws No. 47/2024/QH15 and 58/2024/QH15 on urban and rural planning and public investment; Laws No. 71/2025/QH15, 84/2025/QH15, 93/2025/QH15 and 95/2025/QH15; Laws No. 116/2025/QH15 on Cybersecurity and 130/2025/QH15 on Civil Aviation, both passed on 10 December 2025 and in force from 1 July 2026; and Laws No. 142/2025/QH15, 146/2025/QH15 and 147/2025/QH15, passed on 11 December 2025. The National Assembly Office consolidated them in text No. 44/VBHN-VPQH of 16 March 2026. Most of the amendments align the law with the 2025 reorganisation of local government and other new laws; a wider amended Land Law is before the National Assembly at its October 2026 session (see the 2027 horizon below). The Government implemented it through a set of decrees issued in mid-2024: Decree No. 101/2024/ND-CP on surveys, registration and certificates; Decree No. 102/2024/ND-CP detailing the law's general provisions, including land allocation, lease and recovery for violations; Decree No. 103/2024/ND-CP on land use levy and land rent; Decree No. 71/2024/ND-CP on land prices; and Decree No. 88/2024/ND-CP on compensation, support and resettlement. Decrees No. 151/2025/ND-CP and 226/2025/ND-CP later redistributed powers after the 2025 local government reform and amended the 2024 decrees.

On 11 December 2025 the National Assembly adopted Resolution No. 254/2025/QH15, in force from 1 January 2026, to resolve problems that had emerged in applying the law. It adds grounds for land recovery, lets lessees choose their rent payment method, makes the provincial land price table and an annual adjustment coefficient the basis for most land charges and compensation, and relaxes several rules on transactions and registration. Article 13 provides that, while it is in force, the resolution prevails over any law that deals with the same matter differently. Decrees No. 49/2026/ND-CP and 50/2026/ND-CP, both in force from 31 January 2026, implement it, on land prices and procedures and on land use levy and rent respectively. The land price and rent changes are explained in [Land rent, land prices and Resolution 254](#); the Law on Investment decides when a project needs investment policy approval before land can be allocated or leased ([Investment policy approval](#)).

Land categories and the purpose of use

Article 9 of the Land Law divides land into three groups. **Agricultural land** includes land for annual and perennial crops (with rice land given special protection), production, protection and special-use forest, aquaculture, salt production and other agricultural uses. **Non-agricultural land** includes residential land in urban and rural areas, land for offices of State agencies, defence and security land, land for public-purpose works, and the categories most relevant to investors: land for industrial parks, industrial clusters and high-tech parks, commercial and service land, land for non-agricultural production facilities, and land for mineral activities. **Unused land** is land not yet put to any use.

Every plot carries a recorded purpose, and the purpose determines both what may be done on the land and its price. Using land for another purpose is a violation that can end in recovery under Article 81. A change of purpose, for example from agricultural to commercial and service land, needs the permission of the competent People's Committee under Article 121, must be consistent with the land use plan, triggers the payment of the difference in land use levy or rent, and for a project usually also requires investment policy approval. Resolution No. 254/2025/QH15 sets the method for paying the difference in levy or rent when purpose changes (Article 10) and removes the need for the provincial People's Council to approve conversions of rice land and forest land before the competent authority decides (Article 4). Conversions of large areas of rice or forest land still require investment policy approval under the Law on Investment.

Land users, and who may hold what

Article 4 of the Land Law lists the persons recognised as land users: domestic organisations (including Vietnamese companies), religious organisations, residential communities, Vietnamese households and individuals, people of Vietnamese origin residing abroad, foreign organisations with diplomatic functions, and **foreign-invested economic organisations**. Article 3(46) defines a foreign-invested economic organisation as an economic organisation that must meet the conditions and follow the investment procedures for foreign investors under the Law on Investment to carry out a project using land. Under Article 20 of Law No. 143/2025/QH15 that means, broadly, a company in which foreign investors hold more than 50% of the charter capital, or which is more than 50% held by such a company (The Law on Investment 2025). A Vietnamese company at or below that threshold is therefore a domestic economic organisation under Article 4(1)(b) for land purposes, even though it has foreign shareholders, and may use the domestic routes to land; the same threshold decides which real estate business forms a company may pursue.

A **foreign individual** or a foreign company without a Vietnamese subsidiary is not a land user. It cannot hold land use rights, except to the limited extent that ownership of a house or apartment under the Housing Law carries the right to use the land beneath it (Housing and offices for foreigners). A foreign investor that needs land therefore incorporates or acquires a Vietnamese company, which then holds the land in its own name.

The State grants land in three main ways. **Allocation** (giao đất) may be without levy, for public and defence purposes, or with a land use levy, mainly for housing projects built for sale. **Lease** (cho thuê đất) is the normal form for business projects, with rent paid either annually or once for the whole term. **Recognition** (công nhận) confirms rights for land already in stable use, mainly by households. The rights

that follow are set out in Article 41 for foreign-invested companies: allocated land and land leased with one-off rent can be transferred, leased, mortgaged to a credit institution licensed in Vietnam and contributed as capital; land leased with annual rent allows the company to mortgage, sell, lease or contribute only its own assets on the land and its rights under the lease contract, with defined exceptions for industrial park developers. The table below summarises the position.

DECISION GUIDE

Can this investor hold this land right?

Answer for the person who will be the land user; the routes are compared in section 5.2.

Q1 Is the proposed holder a foreign individual, or a foreign company with no Vietnamese company?

Yes It cannot hold land use rights. A foreign individual may buy a home in a commercial housing project within the caps in the Housing Law; for any business use, incorporate or acquire a Vietnamese company.

No Continue to Q2.

Q2 Is the holder a Vietnamese company that must follow the foreign-investor procedures under the Law on Investment, broadly because foreign investors hold more than 50% of its charter capital?

Yes It is a foreign-invested economic organisation (Article 3(46) of the Land Law). Continue to Q3.

No It is a domestic organisation, even if it has foreign shareholders at or below that threshold, with the widest choice of routes, including taking transfers of land use rights from other users. Continue to Q3 for the effect of the payment method.

Q3 Will the land be allocated with a land use levy, or leased with rent paid once for the whole term?

Yes The company may transfer, lease, mortgage to a licensed credit institution and contribute the land use right and its assets as capital (Article 41(3)).

No Continue to Q4.

Q4 Will the land be leased with annual rent?

Yes

The company may deal with its assets on the land and its lease rights, but not the land use right itself (Article 41(2)); since 1 January 2026 it may sell completed lawful buildings (Article 11 of Resolution No. 254/2025/QH15) and may apply to switch to one-off rent.

No

Check whether the land is a sublease from an industrial park developer (Article 202) or held through another company (Article 41(4)); the rights follow the underlying payment method.

The certificate: one document for land and buildings

Rights are evidenced by the **certificate of land use rights and ownership of assets attached to land** (Giấy chứng nhận quyền sử dụng đất, quyền sở hữu tài sản gắn liền với đất). Investors and the market still speak of the red book (sổ đỏ) and the pink book (sổ hồng), names inherited from earlier forms; since the Land Law 2024 there is a single certificate, issued in a new form from 1 August 2024 that carries a QR code linked to the land database. Earlier certificates remain valid.

The certificate records the land user, the plot number and map sheet, address and area, the land category and purpose, the term, the form of use (allocation with or without levy, lease with annual or one-off rent, recognition) and the origin of the right, together with any buildings and other assets the holder owns. Changes are recorded either on the certificate or, increasingly, only in the land database: under Article 11 of Resolution No. 254/2025/QH15 a mortgage is now registered by updating the database without an endorsement on the certificate. The certificate is therefore the starting point, not the end, of a title check, and the land register held by the land registration office is the authoritative record (Title due diligence and security over land).

Transactions in land use rights take effect on registration with the land registration office, and contracts to transfer, gift, mortgage or contribute land use rights as capital must be notarised or certified, unless one party is a real estate business and the contract is a transfer or contribution, when notarisation is optional (Article 27(3)). Leases and subleases of land use rights need not be notarised.

Who administers land

At national level the **Ministry of Agriculture and Environment** (MAE), formed in March 2025 from the former Ministry of Natural Resources and Environment and the Ministry of Agriculture and Rural Development, is responsible for land policy, the national land use plan, the national land information system and the standards for registration and certificates. The **Ministry of Finance** sets the rules for land use levy and land rent, which the **Tax Department** and its local offices assess and collect. The **Ministry of Construction** regulates housing and the real estate market.

At provincial level, the **People's Council** decides the land price table, and since Resolution No. 254/2025/QH15 approves the recovery of remaining land under the 75% rule. The **People's Committee** decides allocations, leases, changes of purpose and recoveries for organisations, including foreign-invested companies, and sets the annual land price adjustment coefficient. The provincial **Department**

of Agriculture and Environment advises on those decisions, and its **land registration office** (văn phòng đăng ký đất đai), working through local branches, keeps the land register, issues certificates and registers transactions and mortgages. Since 1 July 2025 commune-level People's Committees handle most matters for households and individuals. Since 15 September 2026 state management of industrial parks has moved from the Ministry of Finance to the Ministry of Industry and Trade (Industrial parks and economic zones).

Who may hold which land rights

Land user	Main ways of obtaining land	Can it transfer and mortgage the land use right?	Legal basis
Vietnamese company, including one at or below 50% foreign ownership	State allocation or lease; transfer from other users, including agricultural land with an approved land use plan; capital contribution; auction	Yes where land is allocated with levy, leased with one-off rent or received by transfer; assets only where rent is annual	Land Law, Articles 3(46), 28, 33, 34
Foreign-invested company (broadly, more than 50% foreign-owned)	State lease; industrial park sublease; allocation for housing projects; capital contribution by a Vietnamese user; acquisition of a landholding company	Yes on allocated or one-off rent land, mortgage only to credit institutions licensed in Vietnam; assets and lease rights only on annual rent land	Land Law, Articles 28 and 41
Vietnamese household or individual	Allocation, lease, recognition, transfer, inheritance	Yes, subject to limits on agricultural land	Land Law, provisions on individual land users
Foreign individual	None for land; may own housing in commercial projects	No land use right of its own; may mortgage its home to a credit institution	Housing Law, Articles 17 to 20
Foreign company without a Vietnamese entity	None; a representative office or branch may lease premises	No	Land Law, Article 4

WORKED EXAMPLE

Reading the certificate for a 2.4-hectare factory site in Dong Nai

A Japanese components maker is offered the site and buildings of a Vietnamese company. The certificate and a register extract show the following. The facts are illustrative.

Land user	Vietnamese joint stock company, 100% domestic. Matches the seller named in the term sheet.
Purpose and category	Land for non-agricultural production facilities. Consistent with a factory; no change of purpose needed.

Form of use	State lease, rent paid annually. The seller cannot transfer the land use right itself; it can sell the buildings and its lease rights.
Term	50 years from 2012, so 36 years remain in 2026. The buyer's IRC term should not exceed the remaining land term unless an adjustment is obtained.
Assets recorded	Two factory buildings (14,000 m ²) and an office block, with construction permit and completion acceptance on file; a 2019 warehouse extension is not recorded.
Register extract	One mortgage in favour of a Vietnamese bank over the buildings; no dispute, seizure or recovery notice recorded.
Options identified	(a) Buy the buildings and take over the lease under Article 46 conditions and Article 11 of Resolution No. 254/2025/QH15; (b) ask the seller to convert to one-off rent first, then take a transfer of the land use right; (c) buy the seller company itself.
Timeline	Week 1 certificate review; weeks 2 to 3 register search, tax office confirmation of rent paid, planning check; week 4 decision on structure.

The unrecorded warehouse extension must be regularised or priced as a risk before signing.

Option (c) would make the target a foreign-invested company and may need registration under Article 21 of the Law on Investment; see section 5.2.

Questions investors ask about land use rights

Can anyone own land in Vietnam?

No. Under Article 53 of the Constitution and Land Law No. 31/2024/QH15, land belongs to the entire people and the State manages it as representative owner. Investors, Vietnamese or foreign, hold land use rights for a purpose and, for projects, a term of up to 50 or 70 years, recorded on a certificate.

What is the difference between the red book and the pink book?

They are older names for certificates of land use rights and of housing ownership. Since 1 August 2024 there is a single certificate of land use rights and ownership of assets attached to land, in a new form with a QR code. Older certificates remain valid until replaced on a transaction or on request.

Can a foreign-invested company hold land in its own name?

Yes. A Vietnamese company with foreign shareholders is a land user under Article 4 and holds land in its own name. If it must follow the foreign-investor procedures, broadly because it is more than 50% foreign-owned, it is a foreign-invested economic organisation (Article 3(46)) and obtains land mainly by State lease, industrial park sublease, housing allocation, capital contribution or acquisition; at or below that threshold it is a domestic land user. What it may do with the land depends on how the rent or levy is paid.

Does Resolution 254 replace the Land Law?

No. Resolution No. 254/2025/QH15 modifies specific rules from 1 January 2026, mainly on recovery, rent payment, land prices and registration, and prevails where it differs from the law. The Land Law and its 2024 decrees otherwise continue to apply, and an amended Land Law is expected from 1 March 2027.

Who issues land certificates and registers mortgages?

The land registration office of the provincial Department of Agriculture and Environment, through its local branches. It keeps the land register, issues certificates, registers transfers and records mortgages under Decree No. 99/2022/ND-CP, which since 2026 are updated in the database without endorsing the certificate.

THE 2027 HORIZON

- An amended Land Law, released as a draft on 20 July 2026 and before the National Assembly at its October 2026 session, has a proposed effective date of 1 March 2027. It would remove the specific land price mechanism, change the extension rule for unused land and widen the grounds for recovery; the final text may differ.
- The Government has targeted completion of the national land database by the end of 2026, with cadastral coverage of remaining areas by the end of 2027, and the draft law would require land transactions to be registered digitally.
- Chapter IV of Decree No. 49/2026/ND-CP applies until 1 March 2027, which signals that the implementing decrees will be re-issued when the amended law takes effect.

Terms you will meet in the documents

English	Vietnamese	Meaning
Land use right	<i>Quyền sử dụng đất</i>	The right to use land granted, leased or recognised by the State; the asset investors hold.
Certificate of land use rights and ownership of assets attached to land	<i>Giấy chứng nhận quyền sử dụng đất, quyền sở hữu tài sản gắn liền với đất</i>	The single title certificate since 1 August 2024.
Land allocation	<i>Giao đất</i>	Grant of land by the State, with or without a land use levy.
Land lease	<i>Cho thuê đất</i>	Lease of land by the State with annual or one-off rent.
Land use levy	<i>Tiền sử dụng đất</i>	The payment for allocated land or for a change of purpose.
Purpose of land use	<i>Mục đích sử dụng đất</i>	The recorded use; changing it needs permission (Article 121).

English	Vietnamese	Meaning
Foreign-invested economic organisation	<i>Tổ chức kinh tế có vốn đầu tư nước ngoài</i>	A company that must follow the foreign-investor procedures under the Law on Investment, broadly one more than 50% foreign-owned (Article 3(46)); a land user under Article 4(7).
Land registration office	<i>Văn phòng đăng ký đất đai</i>	Keeps the register, issues certificates, registers transactions and mortgages.

FOREIGN V VIETNAMESE INVESTOR

A Vietnamese company, including one at or below 50% foreign ownership, is a domestic land user and can take transfers of land use rights from other users, including agricultural land with an approved land use plan. A foreign-invested company is limited to the routes in Article 28 and may mortgage land only to credit institutions licensed in Vietnam. A foreign individual cannot hold land use rights at all, while a Vietnamese individual may hold residential land without a fixed term.

WATCH OUT FOR

- Commentary written in 2024 or 2025 that predates Resolution No. 254/2025/QH15: the rules on rent payment, land prices and recovery changed on 1 January 2026.
- Assuming that a certificate tells the whole story: mortgages are now recorded in the land database without an endorsement on the certificate.
- A land term that is shorter than the term in the IRC or the financing; align all three before signing.
- Using land outside its recorded purpose, even temporarily; it is a violation that can end in recovery.
- Treating annual rent land as if it carried a transferable land use right; only the assets and lease rights can be dealt with.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Land Law No. 31/2024/QH15, Articles 3(46), 4, 9, 27, 28, 41, 121 and 172; Resolution No. 254/2025/QH15 — <https://vbpl.vn>
- Ministry of Agriculture and Environment (land administration) — <https://mae.gov.vn>
- Government portal (chinhphu.vn): Decrees No. 101/2024/ND-CP, 102/2024/ND-CP, 49/2026/ND-CP and 50/2026/ND-CP — <https://chinhphu.vn>
- Official Gazette (congbao.chinhphu.vn) — <https://congbao.chinhphu.vn>

How foreign-invested companies access land: State lease, industrial park sublease, allocation for housing, capital contribution, acquisition of a landholding company, and the restrictions on agricultural and sensitive land

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- A foreign-invested company may obtain land by State lease, by sublease or transfer in an industrial park, industrial cluster or high-tech park, by State allocation for a housing project, by capital contribution or capital transfer from a Vietnamese land user, and in special cases such as auctions and enforcement of mortgages (Article 28, Land Law No. 31/2024/QH15).
- State land is leased by auction of land use rights, by bidding to select an investor, or without either in the cases in Article 124 of the Land Law and Article 4(4) of Resolution No. 254/2025/QH15; a request for State land without auction or tender, or for a change of land use, needs investment policy approval (Article 24, Law No. 143/2025/QH15).
- A foreign-invested company formed by buying shares in a Vietnamese landholding company keeps that company's land rights as they stand (Article 41(4) of the Land Law), but the acquisition must be registered first if the target holds land on islands, in border or coastal communes or in defence-sensitive areas (Article 21 of the Law on Investment).
- A foreign-invested company cannot buy agricultural land from households and individuals; it leases agricultural land from the State for an approved project or receives it as a capital contribution, and rice land and protection and special-use forest are tightly protected.
- Rights follow the payment method: allocation or one-off rent gives a transferable and mortgageable land use right; annual rent gives rights over the buildings and the lease only (Article 41).

The starting point: Article 28 and the limits on a foreign-invested company

A Vietnamese company has broad freedom to acquire land: it may lease from the State, take transfers of land use rights from other users, receive land as a capital contribution and buy at auction. A foreign-invested economic organisation has a narrower list. Article 3(46) of Land Law No. 31/2024/QH15 defines it as an economic organisation that must meet the conditions and follow the investment procedures for foreign investors under the Law on Investment to carry out a project using land, which under Article 20 of Law No. 143/2025/QH15 means, broadly, a company more than 50% foreign-owned; a company at or below that threshold is a domestic land user with the wider routes, even though it has foreign

shareholders. Article 28 of the Land Law allows a foreign-invested economic organisation to receive land use rights by six routes: a lease from the State; a capital contribution of land use rights; a transfer of investment capital whose value consists of land use rights, that is, the acquisition of a company or project holding land; a transfer or sublease of land use rights in an industrial park, industrial cluster or high-tech park; State allocation of land for a housing project built for sale or for sale and lease; and special cases such as winning an auction of land use rights, enforcing a mortgage, or a court judgment, arbitral award or recognised mediation settlement. Outside an industrial zone it cannot simply buy land use rights from a Vietnamese company or household.

The route determines the time to obtain land, whether investment policy approval and a deposit are needed, the payments, whether the land can be mortgaged, and the clearance risk. The foreign investor should settle the route before it files for its Investment Registration Certificate, because the IRC records the location and land area and the land documents are part of the dossier ([The Investment Registration Certificate](#)).

Route 1: a lease from the State

A State lease (thuê đất của Nhà nước) is the route for a project outside an industrial zone that needs land the investor does not already control. The provincial People's Committee decides the lease, the land authority signs the lease contract and the tax office issues rent notices. The investor chooses whether to pay rent annually or once for the whole term; since 1 January 2026 Article 4(2) of Resolution No. 254/2025/QH15 generally allows either, except where the land comes from a fund managed by a State agency and is leased on annual terms, and land leased by auction from such a fund must be paid for once for the whole term. The economics of the choice are in [Land rent, land prices and Resolution 254](#).

The State selects the lessee in one of three ways. Land that is clear and planned for a use is usually **auctioned**, and the winning bid becomes the rent. Where land has not been cleared or the project is an urban or housing development, the State runs **bidding to select an investor** under the Law on Bidding. Land is leased **without auction or bidding** only in the cases in Article 124 of the Land Law and those added by Article 4(4) of Resolution No. 254/2025/QH15, which include land used to pay for build-transfer contracts, projects in the recovery cases of Article 79 that use no State capital and already have investment policy approval and an approved investor, and energy projects and tourism projects with commercial services in especially disadvantaged areas. A request for land without auction or tender, or for a change of land use, brings the project within Article 24 of the Law on Investment and needs investment policy approval first, as explained in [Investment policy approval](#), together with the deposit under Article 30.

The State leases land only for a use consistent with approved planning, principally the land use targets in the provincial plan and, for construction, the zoning plans under Law No. 47/2024/QH15 on Urban and Rural Planning. Where the land is occupied, the State recovers it from current users, compensates them and then leases it to the investor. Land clearance is the main source of delay on this route, and investors often advance the compensation money, which is then deducted from rent ([Land recovery, compensation and non-use](#)).

Route 2: a sublease in an industrial park, cluster or high-tech park

Most foreign manufacturers take land by subleasing serviced plots from the developer of an industrial park, an industrial cluster or a high-tech park, or by renting a ready-built factory. The developer has already obtained investment policy approval, leased the land from the State, cleared it and built roads, power, water and wastewater treatment. The tenant needs no investment policy approval for its own project, pays no deposit, and can move from signing to construction in weeks. Under Article 202 of the Land Law, a developer paying annual rent may sublease only on annual terms, while a developer that has paid rent once for the whole term may sublease with either one-off or annual payment, and the tenant's term follows the remaining term of the park's infrastructure project. The mechanics, the zone types, due diligence on the developer and a lease checklist are in [Industrial parks and economic zones](#).

Route 3: allocation for a housing project

A foreign-invested company that develops housing for sale, or for sale and lease, may receive State land by allocation against a land use levy, on the same footing as a domestic developer. The investor is chosen by auction or bidding unless it already holds the land or has assembled it by agreement with existing users, and housing and urban projects always need investment policy approval. Since 1 April 2025 Resolution No. 171/2024/QH15 has also allowed, as a five-year pilot, commercial housing projects on land acquired by agreement or already held that is not residential land, on sites listed by the provincial People's Council. Real estate business conditions, off-plan sales and project transfers are in [Real estate business and development projects](#).

Route 4: land from a Vietnamese partner, by capital contribution or lease

A Vietnamese company or individual that holds land with transferable rights, meaning land allocated with levy, leased with one-off rent or received by transfer, may contribute its land use rights as capital to a joint venture company, including one with foreign shareholders. The joint venture then holds the land for the remaining term with the rights that attached to it. The contribution is valued by the members unanimously or by a licensed valuation organisation under Article 36 of the Law on Enterprises, the contribution contract must be notarised or certified under Article 27(3) of the Land Law, and the change of land user is registered with the land registration office, which issues a certificate in the company's name. Land held by the partner on annual rent cannot be contributed as a land use right; only the buildings and the lease rights can (Article 41(2)). The partner's land is often its main asset, so its valuation and title deserve close scrutiny ([Charter capital and capital contribution](#)).

A foreign-invested company may also lease land or buildings from a Vietnamese land user under a private lease. Where the landlord holds one-off rent or allocated land it may lease the land use right itself; where it holds annual rent land it may lease its buildings and sublet its lease rights. The tenant's position depends on the landlord's continuing compliance, so the lease should require the landlord to keep its rent paid, its permits current and its land free of recovery risk.

Route 5: acquiring a company that already holds land

For many foreign investors, and for nearly all foreign real estate developers, the most efficient route is to buy shares or capital in a Vietnamese company that already holds land. The land stays with the company, so no new land decision is needed, and under Article 41(4) of the Land Law a company that becomes foreign-invested by such an acquisition keeps the rights and obligations attached to its land, according to whether it holds allocated, one-off rent or annual rent land.

The acquisition has its own approvals. Under Article 21 of Law No. 143/2025/QH15 the foreign buyer must register the purchase with the investment registration authority before the change of shareholders is recorded where foreign ownership will rise above 50% or increase above that level, where the target is in a business line with foreign market access conditions, or where the target holds land on islands, in border or coastal communes or in areas affecting defence and security. Merger control may apply above the thresholds described in [FAQ 87](#), and a foreign corporate seller pays tax at 2% of gross proceeds under Decree No. 320/2025/ND-CP ([Tax on share transfers and dividends](#)). Buying the company also means buying its history: unpaid rent, unrecorded buildings, planning breaches and delays that could lead to recovery all travel with it, so the land due diligence in [Title due diligence and security over land](#) is the core of the deal. Transaction structure is covered in [Chapter 8](#).

Restrictions: agricultural land, border and coastal areas, defence land

Agricultural land. A foreign-invested company may use agricultural land, but usually by leasing it from the State for an approved agricultural, forestry or aquaculture project, with one-off rent available under Article 120(2), or by receiving it as a capital contribution or with an acquired company. It cannot take transfers of agricultural land from households and individuals, which a domestic company, including one at or below 50% foreign ownership, may do once the competent People's Committee approves its agricultural land use plan. Rice land and protection and special-use forest are tightly protected, conversion to non-agricultural use needs permission consistent with the land use plan, and conversion of large areas of rice or forest land needs investment policy approval ([FAQ 48](#)).

Border, coastal, island and defence areas. Land in these areas is not closed to foreign-invested companies as such, but control of it is screened. An acquisition of a company holding such land must be registered under Article 21 of the Law on Investment, and the authority consults the defence and public security ministries; a project requesting the allocation of areas affecting national defence or security needs investment policy approval; and foreign individuals and organisations may not own housing in areas reserved for defence and security under Article 16 of the Housing Law.

DECISION GUIDE

Which route to land fits my project?

A decision guide for a foreign-invested company. Answer in order; the first outcome reached is the usual starting route, not the only one.

Q1 Is the project manufacturing, assembly or logistics that could operate in an industrial park, cluster or high-tech park?

Yes Start with an industrial park sublease or a ready-built factory: no investment policy approval, no deposit, and the fastest route to construction. See section 5.4.

No Continue to Q2.

Q2 Does a Vietnamese partner or target company already hold suitable land with transferable rights?

Yes Consider a capital contribution of land use rights to a joint venture, or an acquisition of the landholding company with Article 21 registration where required.

No Continue to Q3.

Q3 Is the project a housing or urban development for sale or lease?

Yes State allocation with land use levy, after investment policy approval and selection by auction or bidding, or a project acquisition; see section 5.8.

No Continue to Q4.

Q4 Does the site need State land outside a zone, or a change of land use?

Yes A State lease after investment policy approval, by auction, bidding or direct decision; budget for the deposit, land clearance and six to twelve months more than a park.

No A private lease of buildings or land from a Vietnamese land user may be sufficient; check the landlord's title and payment method.

The routes compared

Route	Approvals	Payment	Can the land use right be mortgaged?	Typical use
State lease outside a zone	Investment policy approval if no auction or tender, or change of use; IRC; lease decision; deposit under Article 30	Annual or one-off rent to the State; compensation advanced if land is occupied	Only with one-off rent	Stand-alone plants, logistics centres, energy and tourism projects
Industrial park sublease	IRC only (or Article 28 special procedure)	Sublease price to the developer, one-off or annual, plus management fees	Only on a one-off sublease from a developer that paid one-off	Manufacturing and warehousing
Allocation for housing	Investment policy approval; auction or bidding unless land is held; IRC	Land use levy	Yes	Residential and urban projects
Capital contribution by a Vietnamese partner	IRC for the joint venture; notarised contribution; registration of the change	Shares in the joint venture in exchange for land	Yes if the partner's land was allocated or one-off rent	Hotels, resorts, agriculture, joint ventures
Acquisition of a landholding company	Article 21 registration where triggered; merger control above thresholds	Share price to the seller; land payments stay with the company	As the target held it	Real estate development, brownfield plants
Private lease from a Vietnamese user	None beyond the IRC and the lease	Rent to the landlord	No	Offices, warehouses, small plants

WORKED EXAMPLE

Choosing a route for a 6-hectare food-processing plant

A Korean food group plans a wholly owned company to build a 6-hectare plant in the Mekong Delta. It compares three routes. All prices, rents and timings are illustrative assumptions, not market quotations.

Option A: industrial park	Sublease of 6 ha from a park developer that paid one-off rent; 38 years remain on the park project. Assumed price USD 110 per m ² , paid one-off: USD 6.6 million, plus a management fee.
Option A timing	IRC from the zone management board in about four weeks; sublease signed in week 6; construction from month 3. No investment policy approval and no deposit.

Option B: State lease	Agricultural land near a river port, to be converted and leased from the State. Investment policy approval from the provincial People's Committee chairman, a deposit of 3% of capital, land clearance of 40 households.
Option B timing and cost	Approval in months 2 to 5; compensation advanced by the investor and deducted from rent; lease decision in months 8 to 12; construction from about month 12. Annual rent chosen to preserve cash; the term can be the full 50 years.
Option C: acquisition	A Vietnamese seafood company holds 7 ha on one-off rent with 41 years left and old buildings. Purchase of 100% of its capital: Article 21 registration because foreign ownership exceeds 50%; the seller, a Vietnamese company, pays corporate income tax on its gain.
Option C timing	Due diligence weeks 1 to 8; Article 21 registration filed in week 9; closing month 4; rebuilding from month 6. Risks: unrecorded buildings and an old environmental breach.
Decision	The group chooses Option A for speed and certainty, keeping Option C open for a second plant.

The figures show the usual trade-off: a park costs more per square metre but removes approvals, the deposit and the clearance risk; a State lease is cheaper per square metre and can offer a longer term but adds six to twelve months.

Option C is often the cheapest route to bankable land, because the target's one-off rent land can be mortgaged to an onshore lender.

Questions investors ask about getting land

Can a foreign-invested company buy land use rights from a Vietnamese company?

Not directly outside industrial zones. Article 28 of the Land Law lets a foreign-invested company receive land by State lease, park sublease or transfer, housing allocation, capital contribution or the acquisition of a company or project holding land, so purchases outside zones are usually structured as a contribution to a joint venture or a share acquisition.

Does a factory in an industrial park need investment policy approval?

No. A tenant's project on land subleased from the park developer is not an Article 24 project, so it needs only the IRC, or the Article 28 special procedure with a 15-working-day IRC. The developer's own infrastructure project needed approval, which the tenant should verify during due diligence.

Can a Vietnamese partner contribute land to a joint venture with a foreign investor?

Yes, if the partner's land was allocated with levy, leased with one-off rent or received by transfer. The contribution is valued under Article 36 of the Law on Enterprises, notarised under Article 27(3) of the Land Law and registered. Land on annual rent cannot be contributed as a land use right.

What approvals are needed to buy a Vietnamese company that owns land?

Registration under Article 21 of the Law on Investment where foreign ownership goes above 50%, rises in a conditional business line, or the target holds land on islands, in border or coastal communes or defence-sensitive areas; merger control above the thresholds; and updates to the enterprise registration. The land stays with the company.

Can a foreign-invested company lease agricultural land?

Yes. It can lease agricultural land from the State for an approved agricultural, forestry or aquaculture project, with one-off or annual rent, or receive it as a capital contribution. It cannot buy agricultural land from households and individuals, and converting rice or forest land needs permission and, for large areas, investment policy approval.

THE 2027 HORIZON

- The draft amended Land Law before the National Assembly in October 2026 (proposed effective date 1 March 2027) would recast the cases of allocation and lease without auction or bidding and add recovery grounds for digital technology zones and large logistics centres linked to ports and airports, which would change how some State-lease projects are assembled.
- The same draft would move all land decisions for organisations, including foreign-invested companies, to provincial level, consolidating the post-2025 position.
- The five-year pilot under Resolution No. 171/2024/QH15 for commercial housing on land acquired by agreement runs until 2030; a review of its results is expected to inform the amended law's treatment of housing land.

Terms you will meet in the documents

English	Vietnamese	Meaning
Receiving land use rights	Nhận quyền sử dụng đất	The ways a land user acquires rights (Article 28).
Capital contribution in land use rights	Góp vốn bằng quyền sử dụng đất	A land user contributing its rights to a company in exchange for capital.
Land use rights auction	Đấu giá quyền sử dụng đất	Sale of State land rights to the highest bidder.
Bidding to select an investor	Đấu thầu lựa chọn nhà đầu tư	Competitive selection of the investor for a land-using project.
Sublease	Cho thuê lại đất	Lease of serviced land by a park developer to a tenant.
Agricultural land use plan	Phương án sử dụng đất nông nghiệp	The plan a domestic company needs approved to take agricultural land by transfer.
Land clearance	Giải phóng mặt bằng	Recovering occupied land and compensating its users before handover.

FOREIGN V VIETNAMESE INVESTOR

A Vietnamese company can buy land use rights from other companies and from households, including agricultural land under an approved plan, and so can assemble sites privately. A foreign-invested company cannot, outside industrial zones, and relies on State leases, park subleases, joint venture contributions and acquisitions. Both need investment policy approval for the same Article 24 categories, and both pay the deposit for State land.

WATCH OUT FOR

- Agreeing to buy land use rights directly from a Vietnamese company or household outside a zone: the transfer cannot be registered to a foreign-invested company.
- A partner contributing land it holds on annual rent: only its buildings and lease rights can be contributed, not the land use right.
- Acquisitions of companies holding land in border, coastal, island or defence areas without first completing Article 21 registration.
- Counting on a State lease without budgeting for land clearance, which is often the longest step and is outside the investor's control.
- Signing a binding land agreement before checking that the site's planning permits the intended use.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Land Law No. 31/2024/QH15, Articles 27, 28, 41, 120, 124 and 202; Resolution No. 254/2025/QH15, Article 4; Resolution No. 171/2024/QH15 — <https://vbpl.vn>
- Ministry of Agriculture and Environment (land administration) — <https://mae.gov.vn>
- Ministry of Finance: Law No. 143/2025/QH15 on Investment, Articles 21, 24 and 30 — <https://mof.gov.vn>
- National Business Registration Portal (changes of members and shareholders) — <https://dangkykinhdoanh.gov.vn>

Land rent, land prices and Resolution 254: annual or one-off rent and the rights each carries, the land price table and adjustment coefficient, valuation methods, rent incentives and land use tax

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- Land leased from the State is paid for by annual rent or by one-off rent for the whole term; from 1 January 2026 the lessee may generally choose either, including under existing leases, save for annual leases of State-managed land funds (Article 4 of Resolution No. 254/2025/QH15; Article 30 of Land Law No. 31/2024/QH15).
- One-off rent or allocation with levy gives a land use right that can be transferred, sublet, mortgaged and contributed as capital; annual rent limits the lessee to its buildings and lease rights, although completed lawful buildings may now be sold (Article 41 of the Land Law; Article 11 of the resolution).
- Land use levy, rent and compensation are calculated on the provincial land price table, decided by the People's Council and applied from 1 January 2026, multiplied by an adjustment coefficient set by the People's Committee each year; specific land valuations survive only for sea reclamation and cases the table cannot cover (Articles 5, 7 and 8 of the resolution).
- Annual rent equals the land price multiplied by a percentage of 0.25% to 3% set by the province, fixed for five-year cycles, with increases at each cycle capped by reference to the national consumer price index (Article 26, Decree No. 103/2024/ND-CP as amended by Decree No. 291/2025/ND-CP; Article 153 of the Land Law).
- Rent exemptions and reductions are incentives recorded when the lease is signed, and non-agricultural land is subject to land use tax at 0.03% of the taxable value for production and business land (Law No. 48/2010/QH12, Article 7).

Two ways to pay, two different assets

When the State leases land, the lessee pays either **annual rent** (thuê đất trả tiền hằng năm) or **one-off rent for the whole lease term** (thuê đất trả tiền một lần cho cả thời gian thuê). When it allocates land for a housing project, it charges a **land use levy** (tiền sử dụng đất), which works like one-off rent. The payment method is not only a cash-flow choice. It decides the legal character of the asset the investor holds.

Under Article 41(3) of Land Law No. 31/2024/QH15, a foreign-invested company that holds allocated land or pays one-off rent may transfer the land use right and its buildings, lease and sublease them, mortgage them to a credit institution licensed in Vietnam, and contribute them as capital, all for the

remaining term. Under Article 41(2), a company paying annual rent may mortgage, contribute and sublet only its own assets on the land and its rights under the lease contract, and may sell those assets with the lease rights on the conditions of Article 46. Article 11 of Resolution No. 254/2025/QH15 relaxed the sale rule from 1 January 2026: an annual-rent lessee may sell its buildings once they have a construction permit (where one was required) and have been completed in accordance with the approved plan and project. The practical consequence is that one-off rent produces an asset that lenders will take as security and buyers will pay for, while annual rent produces a right that is harder to finance and to sell.

Before 2026, Article 120 of the Land Law confined one-off rent to agricultural, forestry, aquaculture and salt projects, land in industrial parks, clusters and high-tech parks and their worker housing, commercial and service land used for tourism or office business, and social housing for rent. Everything else paid annual rent. Article 4(2) of Resolution No. 254/2025/QH15 removed that restriction: the State leases land, outside the allocation cases in Articles 118 and 119, and the land user may choose one-off or annual rent, except a public service unit using allocated land commercially under Article 30(3). Two further limits apply to land funds managed by State agencies: land leased from such a fund by auction must be paid for once, and a project already on annual rent from such a fund may not switch to one-off rent. Under Article 4(9)(a), lessees whose leases predate the resolution may also choose, subject to the same State land fund exception.

Switching between annual and one-off rent

Article 30 of the Land Law lets a lessee on annual rent switch to one-off rent for the remaining term, with the land price determined afresh at the time the switch is approved, and lets a lessee on one-off rent switch to annual rent, with the rent already paid deducted from the annual rent due. Combined with the wider choice under Resolution No. 254/2025/QH15, this gives investors on annual rent a route to a bankable asset: a manufacturer that leased land on annual terms in 2015 can now apply to pay the remaining term's rent once, obtain a certificate reflecting one-off payment, and then mortgage the land use right to finance an expansion or sell it with the plant. The cost is the full value of the land for the remaining term at today's price table and coefficient, so the decision should be modelled, as the example below shows.

Industrial park developers follow the same pattern under Article 202(3): a developer on annual rent may switch to one-off rent for the remaining term, and its ability to offer one-off subleases depends on having done so ([Industrial parks and economic zones](#)).

How land prices are set after Resolution 254

The Land Law 2024 recognised two kinds of land price. The **land price table** (bảng giá đất), issued by each province, set prices by land type, area and position and was used mainly for households and individuals, taxes and fines. The **specific land price** (giá đất cụ thể), determined case by case by valuation under Article 160, was used for companies receiving allocated land or one-off leases and for compensation. Case-by-case valuation proved slow and contentious, and Resolution No. 254/2025/QH15 largely replaced it.

Under Article 7 of the resolution, the land price table is decided by the provincial People's Council, applied from 1 January 2026 and amended when necessary, and is built by land type, area and position, down to individual plots where digital cadastral maps and price databases exist. Under Article 8, the provincial People's Committee issues a **land price adjustment coefficient** (hệ số điều chỉnh giá đất), the percentage by which the table price for each land type, area and position is increased or reduced, applied from 1 January each year and adjustable during the year or for particular areas. Under Article 5, land use levy, land rent and compensation are calculated on the table price multiplied by the coefficient, and allocation and lease decisions no longer need to state a land price. Where land is auctioned, the winning bid replaces the table price. A specific land price is still determined for sea reclamation projects and other cases in which the table cannot be applied. The input data used to build the table and the coefficient must date from the 24 months before the authority's instruction to prepare them (Article 6(2)), and a provincial appraisal council chaired by a People's Committee leader reviews both (Article 9). Decree No. 49/2026/ND-CP allows the table to be amended when the market fluctuation coefficient moves outside the limits set by the People's Council.

Article 158 of the Land Law still lists the valuation methods used to build the table and, where a specific price is needed, to value a plot: the **comparison** method, where at least three comparable transactions or auctions exist; the **income** method, for agricultural land and non-residential land producing measurable income; the **residual** method, for project land whose development revenue and costs can be estimated; and the **land price adjustment coefficient** method, for compensation on adjacent plots with table prices. Input data must generally come from the 24 months before valuation.

How rent is calculated

Annual rent is the leased area multiplied by an annual unit price, which is a percentage of the land price used for rent. Under Article 26 of Decree No. 103/2024/ND-CP, as amended by Decree No. 291/2025/ND-CP from 6 November 2025, the percentage is between 0.25% and 3%, set by the provincial People's Committee after consulting the People's Council, by area, road section and purpose of use, and may distinguish buildable land from land used only for landscaping or ancillary purposes. Under Article 153(2) of the Land Law, annual rent is fixed for five-year cycles from the date of the lease decision; at each new cycle it is recalculated on the price table then in force, but any increase over the previous cycle may not exceed the rate set by the Government, which itself may not exceed the total national consumer price index for the preceding five years.

One-off rent is the leased area multiplied by the land price for the lease term, now derived from the table and coefficient rather than a case-specific valuation. Where land is auctioned, the bid price applies to either method. Where the investor has built infrastructure that the State recognises, its cost may be deducted. Decree No. 50/2026/ND-CP sets the detailed rules under the resolution, including rent for an investor that takes over a project from a dissolved or bankrupt investor, which Article 4(7) of the resolution now allows to receive an adjusted land term against payment of additional rent.

Rent is assessed by the tax office from the land authority's file and paid in the amounts and by the dates in the tax office's notice. Late payment attracts interest at the rate under tax administration law, currently 0.03% a day ([FAQ 30](#)), and persistent failure to pay is a ground for recovery under Article 81(6) of the Land Law.

From lease decision to the first rent payment

1 Choose the payment method in the application

State in the lease application whether rent will be annual or one-off, having modelled both; the choice is recorded in the lease decision and the lease contract.

2 Obtain the lease decision and sign the lease contract

The provincial People's Committee decides the lease; the land authority signs the contract stating area, term, purpose and payment method. Since 2026 the decision need not state a land price.

3 Apply for exemptions and reductions

Where the project qualifies for a multi-year rent exemption or reduction, file the claim with the lease file so that it is recorded; full-term exemptions need no separate application under Article 10 of Resolution No. 254/2025/QH15 ([Investment incentives](#)).

4 Receive the rent notice

The land authority transfers the file to the tax office, which calculates rent on the table price, coefficient and provincial percentage and issues a notice of the amount and payment dates.

5 Deduct advanced compensation

Where the investor advanced compensation for land clearance under an approved plan, ask for it to be deducted from rent or levy under Article 94(2) of the Land Law; Article 3(8) of the resolution applies the deduction across the whole project and each decision.

6 Pay and obtain the certificate

Pay by the notice dates; once one-off rent or levy is paid, the land registration office issues the certificate recording the payment method, which lenders will check.

7 Diary the five-year cycle

For annual rent, diary the end of each five-year stability cycle and check the new notice against the price table, the coefficient and the inflation cap.

Annual and one-off rent compared

Point	Annual rent	One-off rent (or allocation with levy)	Source
Cash outlay	Yearly, from the lease decision; rent-free periods if incentivised	Full land value for the term at the start	Decree No. 103/2024/ND-CP; Decree No. 50/2026/ND-CP
Price basis since 2026	Table price x coefficient x 0.25% to 3%	Table price x coefficient for the term	Resolution No. 254/2025/QH15, Articles 5, 7, 8

Point	Annual rent	One-off rent (or allocation with levy)	Source
Price changes	Fixed for 5 years; increase capped by reference to CPI	None after payment	Land Law, Article 153
Transfer of the land use right	No; buildings and lease rights may be sold once completed and lawful	Yes, for the remaining term	Land Law, Article 41; Resolution, Article 11
Mortgage	Buildings only, to a credit institution licensed in Vietnam	Land use right and buildings, to a credit institution licensed in Vietnam	Land Law, Article 41
Sublease	Buildings and lease rights; park developers may sublease land on annual terms	Land use right and buildings	Land Law, Articles 41 and 202
Compensation on recovery	Remaining investment costs in the land and assets, not the land	Land value for the remaining term on the table and coefficient, plus assets	Land Law; Resolution, Article 5(3)
Switching	May switch to one-off at a fresh price	May switch to annual, with a credit for rent paid	Land Law, Article 30

WORKED EXAMPLE

Annual or one-off rent on 3 hectares of commercial and service land

A foreign-invested logistics company is leased 30,000 m² of commercial and service land outside a park for 50 years. The figures are illustrative assumptions: a table price multiplied by the coefficient of VND 4.8 million per m² for the term, a provincial percentage of 1.5%, inflation-capped increases of 15% at each five-year cycle, and an 8% discount rate. No incentives are assumed.

Annual rent	$30,000 \text{ m}^2 \times \text{VND } 4,800,000 \times 1.5\% = \text{VND } 2.16 \text{ billion a year for years 1 to 5.}$
Annual rent over 50 years	VND 108 billion in nominal terms if unchanged; about VND 219 billion if it rises 15% at each of the nine later cycles. Present value at 8%: about VND 26 billion unchanged, about VND 36 billion with the increases.
One-off rent	$30,000 \text{ m}^2 \times \text{VND } 4,800,000 = \text{VND } 144 \text{ billion, payable at the start.}$
What the extra outlay buys	A land use right the company can mortgage to an onshore bank, sell with the warehouse, sublet or contribute to a joint venture, and compensation for the land itself if the State recovers it.
Financing view	An onshore lender offers a loan of up to 60% of the appraised value of one-off rent land and buildings, but will take only the buildings as security if rent is annual.

Decision

The company chooses annual rent to preserve capital in the first phase, and diarises a review in year 5, when it may switch to one-off rent for the remaining 45 years at the then price table if it needs to borrow against the land.

The one-off figure looks expensive against the present value of annual rent because it buys a different asset. The comparison should include the value of mortgage capacity, exit value and compensation protection, not rent alone.

Switching later is priced on the table and coefficient at the time of switching, which may be higher than today.

Rent incentives and land use tax

Exemption from, or reduction of, land use levy and land rent is one of the four forms of investment incentive under the Law on Investment. Under the Land Law decrees, exemptions typically cover the construction period, then incentive periods that lengthen with the priority of the sector and the difficulty of the location, up to the whole term for specially incentivised projects. The eligibility rules, and their interaction with the corporate income tax incentives that no longer reward a park location alone, are in [Investment incentives](#). Article 10 of Resolution No. 254/2025/QH15 simplifies the procedure: where land is wholly exempt, no land price is determined and no exemption application is needed, and annual reductions decided by the Government in response to economic conditions apply without application.

Separately, holders of non-agricultural land pay **non-agricultural land use tax** under Law No. 48/2010/QH12. The taxable value is the used land area multiplied by the price per square metre in the land price table, fixed for five years (Article 6); in an industrial park the area excludes shared infrastructure. Production and business land is taxed at 0.03%, and residential land at progressive rates of 0.03%, 0.07% and 0.15% by reference to the residential land quota (Article 7). Where the State leases land for a project, the lessee is the taxpayer; under a private lease the contract may allocate the tax (Article 4). The amounts are modest beside rent, but the tax is declared and paid separately. The Ministry of Finance proposed amendments to the tax in July 2026 to align its categories with the Land Law 2024.

Questions investors ask about land rent and prices

Can I choose to pay land rent once for the whole term?

Generally yes since 1 January 2026. Article 4 of Resolution No. 254/2025/QH15 lets the land user choose one-off or annual rent, including under existing leases, except public service units using allocated land commercially and annual leases of land funds managed by State agencies, which cannot switch to one-off rent.

Why would anyone pay one-off rent if annual rent is cheaper in present value?

Because it buys a different asset. One-off rent gives a land use right that can be transferred, sublet, contributed and mortgaged to a licensed credit institution, and compensation for the land on recovery. Annual rent allows dealings only in the buildings and lease rights, which limits financing and exit.

How is annual land rent calculated in Vietnam?

The area multiplied by the land price from the provincial table and the annual adjustment coefficient, multiplied by a provincial percentage between 0.25% and 3% under Decree No. 103/2024/ND-CP as amended. The rent is fixed for five years, and increases at each new cycle are capped by reference to national inflation.

What is the land price adjustment coefficient?

A percentage, set by the provincial People's Committee and applied from 1 January each year, by which the price in the land price table is raised or lowered for each land type, area and position. Since 2026 the table price multiplied by the coefficient is the basis for most levy, rent and compensation calculations.

Do I pay land use tax as well as land rent?

Yes. Non-agricultural land use tax under Law No. 48/2010/QH12 applies at 0.03% of the taxable value for production and business land, calculated on the land price table, and the State lessee is the taxpayer. It is declared and paid separately from rent.

THE 2027 HORIZON

- The draft amended Land Law (proposed effective date 1 March 2027) would remove the specific land price mechanism and base levy, rent, compensation and auction starting prices on annual price tables and provincial coefficients, making the 2026 approach permanent; the criteria for setting coefficients would be left largely to Government decree.
- The Ministry of Finance's July 2026 proposal to amend the Law on Non-Agricultural Land Use Tax would realign the taxable categories with the Land Law 2024; rates have not been announced.
- Provincial land price tables issued for 2026 may be amended during 2027 under Decree No. 49/2026/ND-CP where market coefficients move outside the People's Council's limits, so rent cycles beginning in 2027 should be checked against the latest table.

Terms you will meet in the documents

English	Vietnamese	Meaning
Annual rent	Thuê đất trả tiền hằng năm	State lease with rent paid each year.

English	Vietnamese	Meaning
One-off rent for the whole term	<i>Thuê đất trả tiền một lần cho cả thời gian thuê</i>	State lease with rent paid once at the start.
Land price table	<i>Bảng giá đất</i>	Provincial price list decided by the People's Council; the basis for most charges since 2026.
Land price adjustment coefficient	<i>Hệ số điều chỉnh giá đất</i>	Annual percentage applied to table prices by the People's Committee.
Specific land price	<i>Giá đất cụ thể</i>	A case-by-case valuation, now used only where the table cannot apply.
Annual rent unit price	<i>Đơn giá thuê đất hằng năm</i>	The land price multiplied by the provincial percentage of 0.25% to 3%.
Land rent exemption	<i>Miễn tiền thuê đất</i>	An incentive recorded in the lease file.
Non-agricultural land use tax	<i>Thuế sử dụng đất phi nông nghiệp</i>	Annual tax on non-agricultural land under Law No. 48/2010/QH12.

FOREIGN V VIETNAMESE INVESTOR

The rent rules, the price table, the coefficient and the right to choose the payment method apply equally to Vietnamese and foreign-invested lessees, and rent incentives depend on sector and location, not nationality. The difference lies in what the land can then be used for: a Vietnamese company may mortgage to any lender the law allows and transfer to any domestic buyer, while a foreign-invested company may mortgage only to credit institutions licensed in Vietnam.

WATCH OUT FOR

- Choosing annual rent without modelling the financing consequence: lenders will take the buildings but not the land as security.
- Assuming that annual rent is fixed for the whole term; it is reset every five years on the then price table, subject to the inflation cap.
- Leases of land funds managed by State agencies, which cannot switch from annual to one-off rent.
- Failing to file for a multi-year rent exemption with the lease file; delays in completing procedures can cost the exemption for the period of delay.
- Overlooking non-agricultural land use tax, which is declared and paid separately from rent.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Resolution No. 254/2025/QH15, Articles 4 to 11; Land Law No. 31/2024/QH15, Articles 30, 41, 120, 153 and 158 — <https://vbpl.vn>
- Government portal (chinhphu.vn): Decrees No. 103/2024/ND-CP, 291/2025/ND-CP, 49/2026/ND-CP and 50/2026/ND-CP — <https://chinhphu.vn>
- Tax Department (land rent and land use tax administration) — <https://gdt.gov.vn>
- Ministry of Finance (land finance policy) — <https://mof.gov.vn>

Industrial parks and economic zones: how subleases work, ready-built factories, management boards, zone types, due diligence on the developer, the Article 28 fast track, and a lease checklist

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- A park developer leases land from the State and subleases serviced plots; a developer paying annual rent may sublease only on annual terms, while one that paid once for the whole term may sublease with one-off or annual payment, and the tenant's rights follow its payment method (Article 202 and Article 41, Land Law No. 31/2024/QH15).
- The sublease cannot outlast the park's infrastructure project; a tenant project needing longer must have the land term adjusted, up to 70 years in total, against payment (Article 202(4)).
- Industrial parks, export processing zones and economic zones are governed by Decree No. 35/2022/ND-CP, as amended and still in force in October 2026; state management of industrial parks moved from the Ministry of Finance to the Ministry of Industry and Trade on 15 September 2026 (Government Resolution No. 66.25/2026/NQ-CP).
- A tenant project in a zone needs no investment policy approval and may use the Article 28 special investment procedure, with the IRC from the management board in 15 working days (Article 28, Law No. 143/2025/QH15).
- Since 1 October 2025 a new project in an industrial park receives no corporate income tax incentive on location alone unless the park is in a disadvantaged area or the project qualifies by sector (Law No. 67/2025/QH15).

Why most foreign manufacturers start in a park

Vietnam has several hundred operating industrial parks, concentrated around Hanoi and Hai Phong in the north, Da Nang in the centre, and Ho Chi Minh City, Dong Nai and Binh Duong in the south. For a foreign manufacturer they solve the three hardest problems of land in Vietnam at once. The developer has already obtained investment policy approval for the park's infrastructure, leased the land from the State and cleared it; it has built roads, power and water connections and a central wastewater treatment plant; and it can offer a plot with a clear title and a known remaining term. The tenant's own project needs no investment policy approval, pays no deposit for State land and avoids land clearance, so a park can reduce the time to construction by six to twelve months compared with State land outside a zone ([How foreign-invested companies access land](#)).

Inside a park the tenant deals mainly with two counterparties: the developer, as landlord and service provider, and the zone's management board, which issues the Investment Registration Certificate and exercises many of the provincial powers that would otherwise sit with separate departments.

How a sublease works

Under Article 202(2) of Land Law No. 31/2024/QH15 the State leases land to the investor in industrial park infrastructure. The developer chooses whether to pay the State annual or one-off rent, and may switch from annual to one-off for the remaining term (Article 202(3)). Land for shared infrastructure under the approved plan is rent-free. The developer then subleases serviced plots to tenants. Where the developer pays annual rent, it may sublease only on annual terms; where it has paid rent once for the whole term, it may sublease with either a one-off payment or annual payments.

The tenant's rights follow its payment method. Article 202(5) gives sublessees the rights and obligations of land users under the general provisions for one-off and annual payers, so a tenant that pays one-off for the remaining term can transfer, sublet, contribute and mortgage its land use right to a credit institution licensed in Vietnam, and its rights are registered with the land registration office; a tenant on annual payment can deal only with its buildings and lease rights. In practice most foreign tenants pay a one-off sublease price, quoted per square metre for the remaining term, because it creates a bankable asset and fixes the cost; they then pay annual management and infrastructure maintenance fees and utility charges.

The term is the critical number. Under Article 202(4), the tenant's land term follows the operating term of the park's infrastructure project. A park licensed in 2008 for 50 years has 32 years left in 2026, and a tenant cannot obtain a longer sublease. Where the tenant's project needs a longer term, the developer must seek an adjustment of the park's land term, up to 70 years in total, with payment of the corresponding rent; this is not automatic and should be agreed before signing. The tenant's IRC term and its financing tenor should not exceed the land term (The Investment Registration Certificate).

Article 202 also requires developers to set aside serviced land for small and medium-sized enterprises and for facilities relocated because of pollution, with possible rent reductions offset against the developer's own rent, and treats worker dormitories within a park as commercial and service land.

Ready-built factories and warehouses

Many tenants, especially in the first years, do not take land at all but rent a ready-built factory or warehouse from the developer or from a specialist industrial landlord. This is a commercial lease of a building under the Civil Code and Law No. 29/2023/QH15 on Real Estate Business, not a land right: the tenant is not recorded as a land user, cannot mortgage the premises and depends on the landlord's continuing compliance. Leases typically run for three to ten years with renewal options, rent in VND or, where the parties are permitted, a foreign currency reference, a security deposit and service charges. The advantages are speed, low capital outlay and flexibility; the factory can be operational within weeks of the IRC.

Because the landlord's title is the tenant's only protection, the tenant should check that the building has a construction permit and completion acceptance, that fire safety approval covers the intended use, that the land under it is held for a term longer than the lease, and that any mortgage over the building contains the lender's consent to the lease. The lease itself should deal with fit-out ownership on exit, environmental responsibilities and the effect of the landlord's sale or default. Contract drafting points are in [Commercial contracts in Vietnam](#).

Zone types and their legal basis

Industrial parks (khu công nghiệp) are established under Decree No. 35/2022/ND-CP on the management of industrial parks and economic zones, which took effect on 15 July 2022 and, as amended, remains in force in October 2026. The decree recognises specialised parks, supporting-industry parks, high-tech industrial parks and eco-industrial parks, and the **export processing zone** (khu chế xuất), a park whose enterprises produce for export and are treated as outside Vietnam's customs territory for duty purposes. **Economic zones** (khu kinh tế), coastal and border-gate, are larger areas with functional sub-zones, including industrial parks and duty-free areas, and projects in them may run for up to 70 years. **Industrial clusters** (cụm công nghiệp), smaller and locally managed, are governed by Decree No. 32/2024/ND-CP.

High-tech parks (khu công nghệ cao) are established under the high technology legislation and have their own management boards and incentives. **Concentrated digital technology zones** were given a statutory basis by Law No. 71/2025/QH15 on the Digital Technology Industry from 1 January 2026. **Free trade zones** are being established in major port cities under special National Assembly mechanisms, and Resolution No. 254/2025/QH15 added projects in free trade zones and the **international financial centre** to the cases in which the State may recover land, so that sites can be assembled for them. All of these zone types qualify for the Article 28 special investment procedure.

Institutional responsibility changed in 2026. Government Resolution No. 66.25/2026/NQ-CP of 4 September 2026 transferred the Ministry of Finance's state management tasks for industrial parks under the Law on Investment and Decree No. 35/2022/ND-CP to the Ministry of Industry and Trade from 15 September 2026, and Decree No. 351/2026/ND-CP set the latter's new functions. The resolution states that it applies until 28 February 2027. Licences and pending applications are unaffected. The Ministry of Finance had published a draft decree to replace Decree No. 35/2022/ND-CP in October 2025; the replacement had not been issued at the review date.

What the management board does

Each province with industrial parks or economic zones has a management board (ban quản lý), an agency of the provincial People's Committee. Under Article 27 of Law No. 143/2025/QH15 it issues IRCs for projects inside its zones, and under Article 25 it grants investment policy approval for provincial-level projects located there. It also licenses representative offices in zones ([Branches and representative offices](#)) and, depending on the province, exercises delegated powers on construction planning and permits, environmental matters and labour. The board is therefore the tenant's principal regulator, and early contact with it on the project's planning and environmental classification is usually productive.

A tenant in a qualifying zone may choose the **special investment procedure** under Article 28 of the Law on Investment: it files a written commitment to meet the conditions on technology, environment, planning, construction and fire safety, receives its IRC within 15 working days, and skips the environmental impact assessment report, detailed planning and the construction permit, filing a notice and an independently verified feasibility study before construction and accepting later inspection. The procedure is explained in [Investment policy approval](#).

Incentives after 1 October 2025

Until 2025 a manufacturing project in an industrial park could claim a corporate income tax incentive on location alone. Law No. 67/2025/QH15 on Corporate Income Tax ended that for new projects from 1 October 2025: a park location now qualifies only if the park is in a disadvantaged or especially disadvantaged area, or the project qualifies by sector, such as high technology, semiconductors or priority supporting industries, and projects in economic zones and high-tech parks retain their incentives. Import duty exemptions, export processing zone treatment and land rent incentives tied to the zone may still apply. Investors comparing parks should therefore compare land cost, infrastructure, labour and logistics rather than assume a tax advantage ([Investment incentives](#); [Corporate income tax](#)).

Checklist before signing an industrial park sublease

Ask the developer for each item and verify it against the land register and the management board where possible. The same checks, adapted, apply to a ready-built factory lease.



The park's approvals

Investment policy approval and IRC for the infrastructure project, the park's establishment and its approved zoning plan, showing the plot's permitted use.



The developer's land title

State land lease decision and contract, certificate for the park land, and confirmation of the payment method. One-off subleases require that the developer has paid one-off rent for the area concerned.



Rent and levy payment status

Written confirmation from the tax office or the developer's receipts that rent for the plot has been paid, and that no recovery notice has been issued.



Remaining term

The end date of the park project and land lease, compared with the IRC term the tenant needs and its financing tenor; any adjustment the developer will seek.



Land clearance and disputes

Evidence that compensation for the plot has been completed and handed over, with no outstanding complaints by former users.



Developer's mortgages

Whether the developer has mortgaged the park land; if so, the lender's written release or consent so that the tenant's sublease and certificate are unaffected.

☐ **Environmental compliance**

The park's environmental licence and the capacity and permit of the central wastewater treatment plant; connection standards for the tenant's discharge.

☐ **Utilities and charges**

Power capacity and substation timing, water supply, management and maintenance fees, how and how often they may be increased, and wastewater charges.

☐ **Sublease terms**

Price and instalments, handover date and condition, permitted use, construction deadlines that mirror Article 81 non-use risks, assignment and mortgage consent, and the developer's obligations if its project is suspended or recovered.

☐ **Certificate**

The developer's undertaking to support the tenant's application for its own certificate after one-off payment.

Zone types at a glance

Zone type	Legal basis	Key features for a tenant	Who issues the IRC
Industrial park (including specialised, supporting-industry, high-tech and eco parks)	Decree No. 35/2022/ND-CP; Land Law, Article 202	Serviced plots by sublease; ready-built factories; no policy approval for tenants; Article 28 procedure available	Provincial zone management board
Export processing zone	Decree No. 35/2022/ND-CP	Outside the customs territory for duty purposes; export-oriented production	Provincial zone management board
Economic zone (coastal, border-gate)	Decree No. 35/2022/ND-CP	Large multi-function areas with industrial parks and duty-free areas; project terms up to 70 years	Provincial zone management board
High-tech park	High technology legislation	High-tech and R&D projects; own incentives and management board	High-tech park management board
Concentrated digital technology zone	Law No. 71/2025/QH15	Digital technology and semiconductor projects; specially incentivised sectors	Management board or provincial authority as designated
Free trade zone; international financial centre	National Assembly resolutions; Resolution No. 222/2025/QH15 (financial centre)	Special regimes; State may recover land for projects (Resolution No. 254/2025/QH15)	As designated for each zone

Zone type	Legal basis	Key features for a tenant	Who issues the IRC
Industrial cluster	Decree No. 32/2024/ND-CP	Smaller, locally managed; land by sublease from the cluster developer	Provincial Department of Finance

WORKED EXAMPLE

A 3-hectare sublease for an electronics supplier in Bac Ninh

A Taiwanese supplier subleases 30,000 m² in an established park whose project runs until 2061. Prices and fees are illustrative assumptions for the example; professional fees are typical market ranges in October 2026, not quotations.

Land	30,000 m ² at an assumed USD 140 per m ² for the remaining 35 years, paid one-off: USD 4.2 million, in three instalments (deposit, signing, handover). The developer paid one-off rent to the State, so a one-off sublease is available.
Running charges	Management and maintenance fee assumed at USD 0.6 per m ² a year: USD 18,000 a year, adjustable every three years; power, water and wastewater charged on use.
Weeks 1 to 4	Due diligence on the developer using the checklist; the developer's lender confirms release of the plot from its mortgage; memorandum of understanding signed.
Weeks 4 to 7	IRC under the Article 28 special procedure, with a written commitment, issued by the management board on working day 14; company incorporated.
Weeks 7 to 10	Sublease contract signed and first instalments paid; land handed over; application for the tenant's certificate filed.
Months 3 to 12	Notice of construction with an independently verified feasibility study; construction of 18,000 m ² of factory space; inspection by the board.
Tax position	No CIT incentive for the park location; any preferential rate depends on whether the products qualify by sector, assessed separately under the CIT law.
Professional fees (typical ranges)	Vietnamese firm for IRC, incorporation and sublease review: USD 6,000 to 15,000; international firm including due diligence: USD 15,000 to 40,000.

Had the supplier rented a 10,000 m² ready-built factory instead, it could have started production in month 3 but would hold no land right to mortgage.

The 35-year remaining term limits the IRC term and any loan secured on the land to 2061 unless the park's term is adjusted.

Questions investors ask about industrial parks

Do I get a land use right certificate for an industrial park sublease?

Usually yes where the tenant pays a one-off sublease price to a developer that paid one-off rent to the State. The tenant's land use right is registered and can be transferred and mortgaged to a licensed credit institution. On annual payment, the tenant deals only with its buildings and lease rights (Articles 41 and 202 of the Land Law).

How long can an industrial park sublease last?

No longer than the remaining term of the park's infrastructure project under Article 202(4) of the Land Law. If the tenant's project needs more time, the developer must apply to adjust the park's land term, up to 70 years in total, against payment. Check the remaining years before signing.

Is Decree 35/2022 on industrial parks still in force?

Yes, as amended, at 10 October 2026. The Ministry of Finance published a draft replacement in October 2025 that had not been issued, and from 15 September 2026 state management of industrial parks moved to the Ministry of Industry and Trade under Government Resolution No. 66.25/2026/NQ-CP.

Does an industrial park location still bring a tax incentive?

Not on its own for new projects from 1 October 2025. Under Law No. 67/2025/QH15 a park location qualifies only in disadvantaged areas, or where the project qualifies by sector; economic zones and high-tech parks keep their incentives. Duty and land rent incentives tied to the zone may still apply.

Is renting a ready-built factory a land right?

No. It is a commercial lease of a building under the Civil Code and the Law on Real Estate Business. The tenant is not a land user, cannot mortgage the premises, and depends on the landlord's title, permits and compliance, which should be checked and protected in the lease.

THE 2027 HORIZON

- The transfer of industrial park functions to the Ministry of Industry and Trade under Government Resolution No. 66.25/2026/NQ-CP is stated to apply until 28 February 2027; a permanent allocation is expected in the replacement for Decree No. 35/2022/ND-CP or in the reorganisation decrees.
- The draft decree replacing Decree No. 35/2022/ND-CP, published in October 2025, would abolish the general construction plan requirement for parks, allow phased infrastructure projects where rice land is converted and let provinces convert parks into urban-service areas; its final form is not yet known.
- The draft amended Land Law (proposed effective date 1 March 2027) would add digital technology zones and large logistics centres linked to ports and airports to the recovery cases, which may speed site assembly for new zones.

Terms you will meet in the documents

English	Vietnamese	Meaning
Industrial park	<i>Khu công nghiệp</i>	A zone with defined boundaries for industrial production and services, under Decree No. 35/2022/ND-CP.
Export processing zone	<i>Khu chế xuất</i>	An industrial park for export production, outside the customs territory for duty purposes.
Economic zone	<i>Khu kinh tế</i>	A coastal or border-gate zone with functional sub-zones.
High-tech park	<i>Khu công nghệ cao</i>	A zone for high-technology and R&D projects.
Industrial cluster	<i>Cụm công nghiệp</i>	A smaller, locally managed industrial area.
Management board	<i>Ban quản lý khu công nghiệp, khu kinh tế</i>	The provincial agency that issues IRCs in zones.
Infrastructure developer	<i>Chủ đầu tư kinh doanh kết cấu hạ tầng</i>	The investor that builds and operates the park and subleases land.
Ready-built factory	<i>Nhà xưởng xây sẵn</i>	A factory leased as a building rather than as land.

FOREIGN V VIETNAMESE INVESTOR

The sublease rules in Article 202, the management board's role and the Article 28 special procedure apply equally to Vietnamese and foreign tenants. The differences are procedural: a foreign tenant, or a company more than 50% foreign-owned, needs an IRC from the board, while a domestic tenant registers its company and notifies the board of its project; and only a foreign-invested company is limited to credit institutions licensed in Vietnam when mortgaging its sublease.

WATCH OUT FOR

- A one-off sublease offered by a developer that pays the State annual rent: Article 202 allows only annual subleases in that case.
- A remaining park term shorter than the IRC term or the loan tenor the tenant needs.
- Developer mortgages over the park land that have not been released for the tenant's plot.
- Assuming a park location brings a tax incentive for a project registered after 1 October 2025.
- Construction deadlines in the sublease that are looser than the 12-month and 24-month non-use triggers in Article 81 of the Land Law.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Land Law No. 31/2024/QH15, Article 202; Decree No. 35/2022/ND-CP; Decree No. 32/2024/ND-CP — <https://vbpl.vn>
- Ministry of Industry and Trade: transfer of industrial park functions from 15 September 2026 — <https://moit.gov.vn>
- Ministry of Finance: Law No. 143/2025/QH15, Articles 25, 27 and 28; draft decree on industrial parks and economic zones — <https://mof.gov.vn>
- Government portal (chinhphu.vn): Government Resolution No. 66.25/2026/NQ-CP — <https://chinhphu.vn>

Housing and offices for foreigners: who may own a home, the 30% and 250-house caps, the 50-year term, the purchase process, leasing homes and offices, and where a company may have its registered office

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- Foreign individuals permitted to enter Vietnam, foreign-invested companies, branches and representative offices of foreign enterprises, foreign investment funds and foreign bank branches may own commercial housing in development projects outside areas reserved for defence and security (Articles 16 and 17, Housing Law No. 27/2023/QH15).
- Foreigners may together own no more than 30% of the apartments in a building and no more than 250 houses in a ward-level area (Article 19 and Decree No. 95/2024/ND-CP).
- A foreign individual owns for up to 50 years from the certificate, renewable once for up to 50 years; an organisation owns for the term of its investment registration; a foreigner married to a Vietnamese citizen living in Vietnam owns as a citizen does (Article 20).
- Offices are leased under the Civil Code and Law No. 29/2023/QH15 on Real Estate Business, generally priced and paid in VND, and leases of premises need not be notarised.
- Using an apartment for a non-residential purpose is prohibited (Article 3, Housing Law), so business registration offices do not accept a residential apartment as a company's head office.

The framework

Housing Law No. 27/2023/QH15 took effect on 1 August 2024, together with the Land Law and the Law on Real Estate Business, and is implemented for foreign ownership by Decree No. 95/2024/ND-CP. It gives foreigners a right that the Land Law denies them: although a foreign individual cannot hold land use rights, a foreign individual who owns a house or apartment also holds the right to use the land under it for the period of ownership. The right is limited in four ways: by who may own, by where, by how many units, and by how long. Vietnamese citizens own housing without a time limit and without caps, and buy land use rights for residential land directly.

This section covers housing and offices as premises. Developing housing for sale, which a foreign-invested company may do on conditions, is covered in [Real estate business and development projects](#).

Who may own, and where

Article 17 of the Housing Law lists three groups. First, foreign-invested companies that build housing under an investment project in Vietnam own what they build. Second, foreign-invested companies, branches and representative offices of foreign enterprises, foreign investment funds and branches of foreign banks operating in Vietnam may buy or lease-purchase commercial housing. Third, **foreign individuals permitted to enter Vietnam** may buy or lease-purchase commercial housing, in practice on showing a valid passport with a Vietnamese entry stamp and provided they do not enjoy diplomatic privileges and immunities. Groups two and three may buy apartments and detached houses from a project developer, receive them by gift or inheritance, or buy from another foreign owner who acquired them lawfully.

Two limits on location apply. The housing must be in a commercial housing development project; a foreigner cannot buy a free-standing house from a Vietnamese family outside a project. And the project must be outside the areas that Article 16 reserves for defence and security, which the defence and public security ministries identify and the provincial authorities reflect in the list of projects open to foreign buyers. A buyer should ask the developer for written confirmation that the project is on that list before paying a deposit.

A foreign individual married to a Vietnamese citizen and living in Vietnam has the ownership rights of a Vietnamese citizen, without the caps and the time limit (Article 20(3)).

How many units, and for how long

Under Article 19 and Decree No. 95/2024/ND-CP, foreign organisations and individuals together may own no more than **30% of the apartments in an apartment building** and, for detached houses, no more than **250 houses in an area with the population of a ward-level administrative unit**. The caps are counted per building and per area, not per buyer, so in popular projects the foreign quota can be exhausted early; the developer tracks it and the land registration office will not issue a certificate beyond it. Housing received by gift or inheritance beyond the caps, or in a restricted area, cannot be owned, and the recipient is entitled only to its value (Article 20(2)).

An individual's ownership lasts as agreed in the transaction, but no more than **50 years from the date of the certificate**, and may be renewed once for up to a further 50 years on application at least three months before expiry. An organisation's ownership lasts no longer than the term in its investment registration, including extensions. The term is written on the certificate. Before it ends, the owner may sell or give the property to anyone eligible to own housing in Vietnam; if the term expires without a sale or renewal, the housing becomes public property (Article 20(4)). Foreign owners should therefore diary the expiry and the renewal window from the day the certificate issues.

A foreign owner has the ownership rights of a Vietnamese owner within those limits: it may live in, sell, give, mortgage to a credit institution operating in Vietnam and lease out its home for purposes the law does not prohibit, declaring and paying tax on rental income (Personal income tax and expatriates).

How a foreign individual buys an apartment from a developer

1 Check the project and the quota

Confirm in writing that the project is a commercial housing project open to foreign buyers, outside defence and security areas, and that foreign quota remains in the building. Ask for the project's land documents, construction permit and, for off-plan units, the provincial housing authority's notice that the units are eligible for sale.

2 Reserve and pay the deposit

For off-plan units, the developer may take a deposit of no more than 5% of the sale price, and only once the project is eligible for sale (Article 23(5), Law No. 29/2023/QH15). The deposit agreement states the price and area.

3 Sign the sale and purchase contract

The contract follows the model in Decree No. 96/2024/ND-CP. Payment is in VND by bank transfer; a foreign buyer usually pays from a VND account funded by remittance from abroad, keeping the bank evidence for a later sale and repatriation.

4 Pay by instalments

For off-plan housing, the first payment is capped at 30% including the deposit and payments before handover at 70%, or 50% where the developer is a foreign-invested company that follows the foreign-investor procedures (Article 10(4)); the last 5% is paid when the certificate issues (Article 25). The developer must provide a bank guarantee for off-plan sales (Article 26).

5 Take handover

Inspect the unit against the contract specifications, record defects, and receive the building's operating rules; the management fee and the maintenance fund contribution become payable.

6 Obtain the certificate

The developer files the application with the land registration office; the certificate issues in the buyer's name, records the ownership term and the land use right attached to the apartment, and starts the 50-year period.

7 Register residence and tax

Declare temporary residence at the property as required for foreigners, and register for tax if the unit will be let.

The September 2026 draft on villas and townhouses

A draft amendment to the housing rules published in September 2026 would bar foreigners from owning villas and townhouses, confining them in practice to apartments. The draft had not been adopted at the review date, and its transitional rules for existing foreign owners and for contracts

signed before any change are not yet settled. A foreigner negotiating to buy a villa or townhouse should take advice on the draft's status and seek contractual protection, such as a right to terminate and recover payments, if the law changes before the certificate issues.

Leasing a home

Most expatriates rent. A residential lease is governed by the Housing Law and the Civil Code, is made in writing, and need not be notarised unless the parties choose. Rent is generally priced and paid in VND, although payment of foreign employees' expenses has limited exceptions under the foreign exchange rules ([FAQ 64](#)). The landlord, or the property manager, must declare the foreign tenant's temporary residence to the local police, and a landlord who lets regularly must declare and pay tax on the rent. Practical points are the deposit (often one to three months), who pays building management fees and utilities, the notice period, and the landlord's title: a lease from someone who does not own the apartment, or from a foreign owner whose term is close to expiry, gives the tenant little protection. Where an employer leases accommodation for staff, the rent can be a taxable benefit for the employee, subject to the limits in the personal income tax rules.

Leasing offices

A commercial office lease in a building owned by a real estate business is a lease of a construction work under Law No. 29/2023/QH15 on Real Estate Business and the Civil Code. The landlord must be eligible to lease the space, which in practice means the building has a construction permit, completion acceptance and fire safety approval for office use, and the landlord holds the land for longer than the lease. Leases need not be notarised or registered. Rent and service charges are priced and paid in VND, except where the foreign exchange rules permit otherwise, and attract VAT at 10%, since real estate business is excluded from the temporary 8% rate ([FAQ 22](#)).

Terms that matter in Vietnam include the length of the initial term and renewal, rent escalation and the currency reference, the security deposit (commonly three months in grade A buildings, as a market practice), the service charge and its adjustment, fit-out periods and rent-free months, reinstatement on exit, early termination rights, the landlord's consent for the premises to be registered as the tenant's head office, and the landlord's obligations if the building is sold or mortgaged. The lease will be one of the documents the company files to evidence its address, and for a representative office or branch it is a licensing requirement ([Branches and representative offices](#)).

Registered office rules

Every company must have a head office in Vietnam with a full address, registered in its enterprise registration certificate under the Law on Enterprises ([Setting up a company step by step](#)). Article 3 of the Housing Law prohibits using an apartment in an apartment building for non-residential purposes, and business registration offices therefore refuse a residential apartment as a head office address. The commercial and service floors of a mixed-use building, a unit in an office building, and space in a business centre that holds lawful title to commercial premises are acceptable.

Serviced and shared offices are widely used for a first registered address, and the registration authorities accept them where the provider's premises are lawful commercial space and it consents in writing to the registration. The company must actually be reachable there: tax offices verify addresses, and a company found not operating at its registered address can have its tax code status changed, which interrupts invoicing and banking. A virtual address used without real presence is therefore a risk, particularly for companies that will hold work permits for foreign staff or apply for licences.

Foreign ownership of housing: the rules in one place

Point	Foreign individual	Foreign organisation (other than a developer)	Source
Who qualifies	Permitted to enter Vietnam; not entitled to diplomatic immunity	Foreign-invested company, branch or representative office of a foreign enterprise, foreign investment fund, foreign bank branch	Housing Law, Article 17
What may be owned	Apartments and detached houses in commercial housing projects	The same	Housing Law, Article 17
Where	Outside defence and security areas	The same	Housing Law, Article 16
Caps	30% of apartments per building; 250 houses per ward-level area (all foreigners combined)	The same	Housing Law, Article 19; Decree No. 95/2024/ND-CP
Term	Up to 50 years from the certificate, renewable once for up to 50	Term of the investment registration, including extensions	Housing Law, Article 20
On expiry without sale	Becomes public property	The same	Housing Law, Article 20(4)
Spouse of a Vietnamese citizen living in Vietnam	Owns as a Vietnamese citizen	Not applicable	Housing Law, Article 20(3)
Pending change	Draft of September 2026 would bar villas and townhouses	The same	Draft amendment (not adopted)

WORKED EXAMPLE

A foreign executive buys an off-plan apartment in Ho Chi Minh City

A French executive with a work permit buys a two-bedroom off-plan apartment from a Vietnamese developer for VND 8 billion. The project is open to foreign buyers and the building's foreign quota is 70% used. The figures and timing are illustrative.

Month 0	Written confirmation of foreign eligibility and remaining quota; deposit of VND 400 million (5%) after the developer shows the provincial notice that the units are eligible for sale.
Month 1	Sale and purchase contract on the Decree No. 96/2024/ND-CP model; bank guarantee for the off-plan sale issued by a commercial bank in the buyer's favour. First payment brings the total to VND 2.4 billion (30%).
Months 2 to 20	Payments tied to construction milestones; total paid before handover capped at VND 5.6 billion (70%). Funds remitted from France into a VND account, bank evidence kept.
Month 22	Handover; payments reach 95% (VND 7.6 billion); management fee and 2% maintenance fund payable under the building rules.
Month 26	Certificate issued in the buyer's name with an ownership term to 2076; final VND 400 million paid.
Later	The executive relocates in 2030 and lets the apartment, declaring rental income; renewal of the term may be applied for at least three months before expiry, or the unit sold to an eligible buyer.

Had the developer been a majority foreign-owned company following the foreign-investor procedures, payments before handover would have been capped at 50% of the price (Article 25, Law No. 29/2023/QH15).

Had the executive been married to a Vietnamese citizen living in Vietnam, the ownership would have had no time limit and the foreign quota would not have applied.

Questions foreigners ask about property

Can a foreigner buy a house or apartment in Vietnam?

Yes, within limits. A foreign individual permitted to enter Vietnam may buy commercial housing in a development project outside defence and security areas under Housing Law No. 27/2023/QH15, subject to caps of 30% of apartments per building and 250 houses per ward-level area, for up to 50 years renewable once.

Can a foreigner buy a house from a Vietnamese family?

Generally no. Foreign individuals may buy commercial housing in development projects, from the developer or from another eligible foreign owner, but not a free-standing house outside a project. A foreigner married to a Vietnamese citizen living in Vietnam has a citizen's rights and is not limited in this way.

What happens when the 50-year term ends?

The owner may apply to renew once for up to 50 years, at least three months before expiry, or sell or give the property to an eligible buyer before the term ends. If the term expires without renewal or sale, the housing becomes public property under Article 20 of the Housing Law.

Can my company use an apartment as its registered office?

No. Article 3 of the Housing Law prohibits using apartments for non-residential purposes, and business registration offices refuse residential apartments as head offices. Use an office unit, the commercial floors of a mixed-use building, or a serviced office whose provider holds lawful commercial premises and consents in writing.

Can a foreign company buy apartments for its staff?

Yes. Foreign-invested companies, branches and representative offices of foreign enterprises may buy commercial housing in projects open to foreigners, within the caps, for the term of their investment registration. The ownership is recorded on a certificate and ends with the organisation's term unless the property is sold first.

THE 2027 HORIZON

- The draft amendment to the housing rules published in September 2026 would bar foreigners from villas and townhouses; if adopted, the transitional treatment of existing owners and signed contracts will be decisive.
- The same housing reforms would change investor-selection rules for housing projects, which affects the supply of projects open to foreign buyers.
- The draft amended Land Law (proposed effective date 1 March 2027) would require land transactions, including registration of home purchases, to be completed digitally with non-cash payment of related obligations.

Terms you will meet in the documents

English	Vietnamese	Meaning
Commercial housing	<i>Nhà ở thương mại</i>	Housing built by a developer for sale, lease or lease-purchase.
Apartment building	<i>Nhà chung cư</i>	A multi-unit building; foreigners may own up to 30% of its apartments.

English	Vietnamese	Meaning
Detached house	Nhà ở riêng lẻ	A house on its own plot; capped at 250 per ward-level area for foreigners.
Housing ownership term	Thời hạn sở hữu nhà ở	Up to 50 years for a foreign individual, renewable once.
Sale and purchase contract	Hợp đồng mua bán nhà ở	The contract for buying a home, on the decree model.
Off-plan housing	Nhà ở hình thành trong tương lai	Housing under construction or not yet started.
Head office	Trụ sở chính	The registered address of a company.
Temporary residence declaration	Khai báo tạm trú	The declaration of a foreigner's place of stay to the police.

FOREIGN V VIETNAMESE INVESTOR

A Vietnamese citizen may buy any lawful housing, including houses outside projects and residential land use rights, without caps or time limits. A foreign individual may buy only in commercial housing projects open to foreigners, within the 30% and 250-house caps, for 50 years renewable once, unless married to a Vietnamese citizen living in Vietnam. The registered office and office lease rules apply equally to domestic and foreign-invested companies.

WATCH OUT FOR

- Paying a deposit before confirming in writing that the project is open to foreign buyers and that the building's foreign quota is not exhausted.
- Nominee purchases in a Vietnamese friend's or employee's name to avoid the caps; the foreigner has no registered right and little protection under the civil law if the nominee sells, mortgages or dies.
- Letting the 50-year term or the renewal window pass; unsold housing becomes public property at expiry.
- Registering a company's head office in a residential apartment, or at a virtual address where the company cannot be found.
- Buying a villa or townhouse while the September 2026 draft is pending without a contractual exit if the law changes.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Housing Law No. 27/2023/QH15, Articles 3, 16 to 20; Decree No. 95/2024/ND-CP — <https://vbpl.vn>
- Ministry of Construction (housing and the real estate market) — <https://moc.gov.vn>
- Government portal (chinhphu.vn): Law No. 29/2023/QH15 on Real Estate Business; Decree No. 96/2024/ND-CP — <https://chinhphu.vn>
- Immigration Department (temporary residence of foreigners) — <https://xuatnhapcanh.gov.vn>

Title due diligence and security over land: checking the certificate and the land register, planning, encumbrances, term and payment status, permits, and how mortgages of land use rights are taken, notarised and registered

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- The certificate of land use rights and ownership of assets attached to land is the starting point; the land register kept by the land registration office of the provincial Department of Agriculture and Environment is the authoritative record, and since 2026 mortgages are recorded in the land database without endorsement on the certificate (Article 11, Resolution No. 254/2025/QH15).
- A full check covers the land user, purpose, term and payment method, payment of rent or levy, encumbrances, disputes and recovery notices, planning status under Law No. 47/2024/QH15, and construction permits, completion acceptance and fire safety approval for the buildings.
- A foreign-invested company may mortgage land use rights and buildings held by allocation or one-off rent, and only buildings where rent is annual, and only to credit institutions licensed to operate in Vietnam (Article 41, Land Law No. 31/2024/QH15); offshore lenders therefore rely on an onshore security agent.
- Mortgage contracts over land use rights must be notarised or certified (Article 27(3)) and take effect against third parties on registration with the land registration office under Decree No. 99/2022/ND-CP, with priority generally following the order of registration.
- When buying a company, the land review extends to its investment registration, project schedule and compliance, because delay can lead to recovery without compensation under Article 81.

Why the certificate is not enough

In Vietnam the State's land register, not the parties' documents, determines who holds a land use right and on what terms. The certificate issued to the land user records the position at a point in time, and several things can change without the certificate changing: a mortgage registered after 1 January 2026 is now recorded only in the land database (Article 11 of Resolution No. 254/2025/QH15); a recovery notice, an enforcement seizure or a dispute may be pending; rent may be unpaid; and the buildings on the land may have been altered without a permit. Planning decisions made after the certificate issued can also restrict what the land may be used for, or earmark it for recovery.

Title due diligence is therefore a combination of documents, register searches and enquiries of the authorities, and it should be done whether the investor is buying land use rights, taking a sublease in an industrial park, receiving land as a capital contribution, acquiring a landholding company or lending against land. The extent of the review depends on the transaction, but the categories below apply to all of them. The routes in which the checks arise are described in [How foreign-invested companies access land](#).

The certificate and the land register

Start with the original certificate, not a copy, and check that it is the current form or a valid earlier form, that the land user named on it is the counterparty (or the target company), and that the plot number, map sheet, address and area match the site plan and the physical site. Read the land category and purpose, the term and its end date, the form of use (allocation with or without levy, lease with annual or one-off rent, recognition) and the origin of the right. The form of use decides what the counterparty can lawfully do: a company leasing with annual rent cannot transfer the land use right itself, only its buildings and lease rights, and cannot mortgage the land ([Land rent, land prices and Resolution 254](#)).

Then obtain an extract from the land register through the land registration office or its local branch. In practice the request is made with the land user's written authorisation, which a seller or borrower should provide as a condition of the transaction. The extract shows registered mortgages and other security, prohibitions on transactions, seizures by civil judgment enforcement agencies, registered changes and pending procedures. Ask the commune-level People's Committee whether any dispute over the land has been lodged and whether any recovery notice has been issued, and check the court portals for litigation involving the land user.

Planning, recovery risk and permitted use

The State allocates and leases land only for uses consistent with planning, and a later plan can change what a plot may be used for. Check the provincial plan's land use targets and, for construction, the zoning plan and any detailed plan under Law No. 47/2024/QH15 on Urban and Rural Planning, through the provincial Department of Construction or the planning information portals that most provinces now maintain. Confirm in writing that the intended use is permitted, whether the plot or part of it is earmarked for roads, public works or other projects in the recovery cases of Article 79 of the Land Law, and the construction parameters (density, height, setbacks) that apply. A plot earmarked for recovery can still be traded, but its value and financing capacity fall sharply ([Land recovery, compensation and non-use](#)).

Term, payment status and project compliance

Confirm the remaining land term and compare it with the investor's own needs, its IRC term and any loan tenor. Obtain written confirmation from the tax office, or the original receipts and notices, that land use levy or rent has been paid in full, that annual rent is current, and that non-agricultural land use tax has been declared. Where the land user enjoys a rent exemption or reduction, identify the conditions, because a change of project or use can end the incentive and trigger repayment.

Where the land is held for an investment project, review the investment policy approval and IRC, the project schedule and the actual progress. Under Article 81(8) of the Land Law, land not used for 12 consecutive months after handover, or whose use falls more than 24 months behind schedule, can be recovered after a paid extension of up to 24 months, without compensation for the land or the buildings. A buyer of a company or a lender against its land inherits that risk, so the review should establish whether the schedule has been met, adjusted or extended, and whether any administrative fine has been imposed.

Buildings: permits, completion and registration

For buildings, check the construction permit (or the basis for exemption, such as the Article 28 special procedure in a zone), the approved design, the completion acceptance, fire prevention and fighting acceptance for the actual use, and the environmental licence or registration for the operations carried on. Compare the as-built buildings with the permit and with the assets recorded on the certificate: extensions and mezzanines built without a permit are common, cannot be recorded on the certificate, cannot be mortgaged and may have to be regularised or demolished. Under Article 11 of Resolution No. 254/2025/QH15, a lessee on annual rent may sell its buildings only if they have a permit where one was required and were completed in accordance with the approved plan and project, so permit defects now affect saleability directly.

Mortgages of land use rights and buildings

Who may grant and receive a mortgage. Under Article 41 of the Land Law a foreign-invested company may mortgage its land use right and buildings where the land was allocated with levy or leased with one-off rent, and only its buildings where rent is annual, and in both cases only to **credit institutions licensed to operate in Vietnam**, which in practice include Vietnamese banks, foreign-owned banks and foreign bank branches licensed by the State Bank. The Land Law 2024 did not open land mortgages to offshore lenders ([FAQ 80](#)). Vietnamese companies are subject to their own rules on eligible mortgagees.

Offshore lenders and security agents. An offshore lender, or a syndicate of offshore lenders, cannot hold a mortgage over land use rights directly. The usual structure appoints an onshore credit institution as security agent to take and hold the mortgage for the benefit of the lenders, with an intercreditor or security agency agreement governing enforcement and sharing of proceeds. Where every lender is offshore, the onshore agent must itself be a finance party, often through a nominal participation or a standby letter of credit, and practitioners regard these structures as not yet tested in the Vietnamese courts. Offshore loans must also be registered with the State Bank ([Offshore loans and State Bank registration](#)); project finance structures are discussed in [Project finance, security and the financial centre](#).

Form, notarisation and registration. The mortgage is created by a written contract under the Civil Code (Law No. 91/2015/QH13). A contract mortgaging land use rights, with or without buildings, must be notarised or certified under Article 27(3) of the Land Law. It becomes effective against third parties on registration with the land registration office under Decree No. 99/2022/ND-CP, and priority among secured creditors generally follows the order of registration. Since 1 January 2026 the registration is recorded in the land database without endorsement on the certificate. Mortgages of buildings under construction, of future assets and of an industrial park sublease follow the same registration route, with

the developer's consent and the park's own requirements where relevant. Security over movable assets, such as machinery and receivables, is registered separately with the Ministry of Justice's registration agency.

Enforcement. On default, the mortgagee may enforce by agreed sale, by auction or, where the parties agreed and the law allows, by taking the asset in satisfaction, but any buyer or transferee must be eligible to hold the land use right. A foreign lender can never take the land itself, and an onshore agent will sell it. Enforcement is slower where the mortgagor resists, which is one reason lenders also take share pledges, assignments of project contracts and account security.

Land due diligence checklist

For a purchase, sublease, joint venture contribution, acquisition or loan. Request the documents from the counterparty, verify them with the authorities, and record any gap as a condition precedent or a price adjustment.

- ☐ **Original certificate**
Current form or valid earlier form; land user; plot, map sheet, address and area; purpose; term; form of use; origin; buildings recorded.
- ☐ **Land register extract**
Mortgages and other security, prohibitions, seizures, registered changes and pending procedures, obtained from the land registration office with the land user's authorisation.
- ☐ **Land decisions and contracts**
Allocation or lease decision, lease contract, change of purpose decisions, and for a sublease the developer's documents.
- ☐ **Payment status**
Tax office confirmation or receipts for land use levy or rent, current annual rent notices, land use tax declarations, and any rent incentive and its conditions.
- ☐ **Planning**
Written planning information for the plot: permitted use, construction parameters, any earmarking for public works or recovery.
- ☐ **Disputes and recovery**
Commune enquiry on disputes and recovery notices; court searches against the land user; complaints by former users.
- ☐ **Project status**
Investment policy approval, IRC, schedule, actual progress, extensions, fines; risk under Article 81(8).
- ☐ **Buildings**
Construction permit or exemption, design approval, completion acceptance, fire safety acceptance, environmental licence; comparison of as-built with permits and certificate.

☐ **Physical inspection and survey**

Boundaries against the cadastral map, occupation by third parties, access to a public road, utilities, contamination.

☐ **Transaction formalities**

Notarisation where required (Article 27(3)); registration of the transfer, contribution or mortgage; Article 21 investment registration for an acquisition of a company holding sensitive land.

Where to check what

What	Where	What it reveals
Title, purpose, term, form of use	Certificate; land registration office	Who holds what right, for how long, and whether it is transferable and mortgageable
Mortgages, seizures, prohibitions	Land register extract (land registration office)	Encumbrances, including mortgages recorded only in the database since 2026
Rent, levy and land use tax	Local tax office; payment receipts and notices	Arrears that are a ground for recovery and that follow the land
Planning status	Provincial Department of Construction; commune; planning portals	Permitted use, construction parameters, earmarking for public works
Disputes and recovery notices	Commune-level People's Committee; courts	Pending claims by neighbours or former users; State recovery plans
Project compliance	Investment registration authority or zone management board; IRC and reports	Schedule delays that can lead to recovery under Article 81
Buildings	Construction permits, completion and fire safety records; Department of Construction	Unpermitted works that cannot be recorded, mortgaged or sold

WORKED EXAMPLE

Due diligence and a secured loan for a brownfield factory

A German-owned company is buying the land use right and buildings of a 5-hectare factory in Hai Phong from a Vietnamese company for VND 180 billion, financed partly by a VND 100 billion loan from a foreign bank's Vietnamese subsidiary. The facts and timings are illustrative.

Certificate

Land in an industrial cluster, subleased from the cluster developer with one-off payment in 2010, term to 2060. A foreign-invested company may take a transfer of land use rights in an industrial cluster under Article 28, so a direct asset purchase is possible.

Register extract (week 2)	One mortgage in favour of a Vietnamese bank, registered in 2026 and visible only in the database; the seller had not disclosed it. Release made a condition precedent, with the purchase price paid partly to the existing lender.
Planning (week 3)	A 900 m ² strip along the road frontage is earmarked for widening; price reduced by VND 3 billion and the buyer's IRC area adjusted.
Buildings (weeks 3 to 4)	A 2,000 m ² warehouse extension has no permit and is not on the certificate; the seller regularises it before completion, failing which VND 6 billion is retained in escrow.
Payment status	Tax office confirmation of no arrears; land use tax current.
Transfer (weeks 6 to 9)	Transfer contract notarised; registration with the land registration office; new certificate issued in the buyer's name in about four weeks.
Mortgage (weeks 9 to 10)	Notarised mortgage of the land use right and buildings to the lender, a credit institution licensed in Vietnam; registered with the land registration office under Decree No. 99/2022/ND-CP; machinery pledged and registered with the Ministry of Justice's registry.

Had the lender been the German parent's offshore bank, it could not have taken the land mortgage; an onshore security agent would have been needed.

Had the land been held on annual rent, only the buildings could have been mortgaged and the buyer could not have taken a transfer of the land use right, only the buildings and the lease rights.

Questions investors ask about title and security

How do I check land title in Vietnam?

Inspect the original certificate, then obtain an extract from the land register at the land registration office with the holder's authorisation. Check the land user, purpose, term, form of use, mortgages, seizures and prohibitions, payment of rent or levy, planning status, disputes and recovery notices, and the permits for the buildings.

Can a foreign bank take a mortgage over land in Vietnam?

Not directly from offshore. Under Article 41 of the Land Law a foreign-invested company may mortgage land use rights and buildings only to credit institutions licensed to operate in Vietnam, which include foreign bank branches and subsidiaries licensed by the State Bank. Offshore lenders use an onshore security agent to hold the mortgage.

Must a land mortgage be notarised and registered?

Yes. A contract mortgaging land use rights must be notarised or certified under Article 27(3) of the Land Law, and it becomes effective against third parties on registration with the land registration office under Decree No. 99/2022/ND-CP. Priority generally follows the order of registration.

Why might a mortgage not appear on the certificate?

Since 1 January 2026, Article 11 of Resolution No. 254/2025/QH15 provides that registration of a mortgage of land use rights and attached assets is recorded by updating the land database without endorsing the certificate. A buyer or lender must therefore search the register rather than rely on the certificate.

Can land on annual rent be mortgaged?

Only the buildings and other assets the lessee owns on the land, not the land use right, and only to a credit institution licensed in Vietnam. Lessees that need to borrow against the land itself may apply to switch to one-off rent, which since 2026 is generally available, and then mortgage the land use right.

THE 2027 HORIZON

- A new decree to replace Decree No. 99/2022/ND-CP on registration of security interests is being drafted; registration procedures, fees and the interface with the land database may change.
- The draft amended Land Law (proposed effective date 1 March 2027) would require land transactions to be registered digitally, with the national land database targeted for completion by the end of 2026, which should make register searches faster and more complete.
- Neither Resolution No. 254/2025/QH15 nor the published draft amendments open land mortgages to offshore lenders; investors should assume onshore security agent structures will remain necessary.

Terms you will meet in the documents

English	Vietnamese	Meaning
Mortgage	<i>Thế chấp</i>	Security over land use rights and attached assets without transfer of possession.
Registration of security	<i>Đăng ký biện pháp bảo đảm</i>	Registration that makes security effective against third parties.
Notarisation	<i>Công chứng</i>	Formal certification of a contract by a notary; required for land transfers and mortgages.
Credit institution	<i>Tổ chức tín dụng</i>	A bank or other lender licensed by the State Bank of Vietnam.
Security agent	<i>Đại lý bảo đảm</i>	An onshore lender holding security for a syndicate.
Land information extract	<i>Trích lục thông tin đất đai</i>	Information from the land register about a plot.
Completion acceptance	<i>Nghiệm thu hoàn thành công trình</i>	Acceptance that a building was completed as approved.
Zoning plan	<i>Quy hoạch phân khu</i>	The plan setting land uses and parameters for an area.

FOREIGN V VIETNAMESE INVESTOR

The due diligence steps are the same for domestic and foreign buyers. The differences lie in who may hold the result: a foreign-invested company may take transfers of land use rights only on the routes in Article 28, and may mortgage only to credit institutions licensed in Vietnam, while an offshore lender cannot take land security at all and needs an onshore agent.

WATCH OUT FOR

- Relying on the certificate alone: mortgages registered since 1 January 2026 appear only in the land database.
- A counterparty on annual rent offering to transfer or mortgage the land itself.
- Unpermitted extensions and buildings not recorded on the certificate, which cannot be mortgaged and now limit a sale.
- Projects behind schedule, which carry the risk of recovery without compensation under Article 81(8).
- Offshore loans documented with a direct land mortgage in favour of the offshore lender, which cannot be registered.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Land Law No. 31/2024/QH15, Articles 27, 41 and 81; Resolution No. 254/2025/QH15, Article 11; Decree No. 99/2022/ND-CP — <https://vbpl.vn>
- Ministry of Justice (registration of security over movable assets) — <https://moj.gov.vn>
- Ministry of Agriculture and Environment (land registration and the land information system) — <https://mae.gov.vn>
- State Bank of Vietnam (licensed credit institutions) — <https://www.sbv.gov.vn>

Land recovery, compensation and non-use: when the State may take land back, the 2026 additions including the 75% rule, recovery for unused land, compensation, support and resettlement, procedure and timelines, and the investor's remedies

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- The State may recover land for defence and security (Article 78), for socio-economic development in the national or public interest in the 31 cases in Article 79, for violations of land law (Article 81) and on the lawful end of land use (Article 82) of Land Law No. 31/2024/QH15.
- From 1 January 2026 Resolution No. 254/2025/QH15 added recovery for projects in free trade zones and the international financial centre, and of the remaining land where an investor has agreed terms for more than 75% of the area and more than 75% of the land users, with the provincial People's Council's approval (Article 3).
- Project land not used for 12 consecutive months after handover, or more than 24 months behind schedule, can be recovered after a paid extension of up to 24 months, without compensation for land or buildings, save for force majeure (Article 81(8) and (9)).
- Compensation for land is calculated on the provincial land price table and adjustment coefficient (Article 5(3) of the resolution); a lessee on annual rent is compensated for remaining investment costs in the land and its assets, not for the land; support and resettlement follow Decree No. 88/2024/ND-CP as amended.
- Notice of recovery must be given at least 60 days before the decision for agricultural land and 120 days for non-agricultural land, and decisions can be challenged by administrative complaint and in the administrative court, with investment guarantees and treaties in the background.

Recovery in a system without private ownership

Because land belongs to the entire people, the State does not expropriate land in the Western sense; it **recovers** (thu hồi) land use rights it previously granted or recognised. The Land Law sets out exhaustively when it may do so, and outside those cases recovery is unlawful. For investors the regime matters in three ways. It is a risk to land the investor already holds, whether through a public project or through the investor's own delay. It is a tool the investor relies on when it needs land occupied by others, because the State's recovery and compensation process is how most project sites are cleared. And it determines what the investor receives if its land is taken.

Land Law No. 31/2024/QH15 groups recovery into four categories: national defence and security (Article 78); socio-economic development in the national or public interest (Article 79); violations of land law (Article 81); and the lawful end of land use, voluntary surrender and danger to life (Article 82). Resolution No. 254/2025/QH15 added cases and changed procedure and compensation from 1 January 2026.

Recovery for defence, security and socio-economic development

Article 78 permits recovery for defence and security purposes such as military bases, defence works and police facilities, and Article 3(1) of the resolution adds compulsory drug rehabilitation facilities managed by the armed forces. Article 79 lists 31 cases of socio-economic development in the national or public interest, from transport, energy, irrigation and telecommunications infrastructure and public facilities, through social housing and resettlement, to **industrial parks, industrial clusters, high-tech parks** and duty-free areas in economic zones (clause 22), licensed mineral extraction (clause 25), **mixed-function urban projects and rural residential projects** (clause 27), and projects approved by the National Assembly or the Prime Minister (clause 31). Purely commercial projects outside these cases, such as a stand-alone office building or factory, cannot be assembled by State recovery and must be built on land the investor already holds, obtains at auction or acquires by agreement.

Article 3(2) of Resolution No. 254/2025/QH15 added three cases: projects in **free trade zones** and in the **international financial centre**; the creation of land funds to pay for build-transfer contracts or to lease to organisations whose land was recovered so that they can continue in business; and, most significantly for private developers, the **75% rule**. Where an investor has been assembling land for a project by agreement with the existing users, the time for completing the agreements (including any extension) has expired, and the investor has reached agreement for more than 75% of the land area and with more than 75% of the land users, the provincial People's Council may approve recovery of the remaining land by the State and its allocation or lease to the investor. The holdouts are compensated as in an Article 78 or 79 recovery, and if the compensation per unit of area is lower than the average price agreed with the other users they receive the difference, which the investor advances and may include in the project's investment cost (Article 3(7)).

Recovery for these purposes may proceed only once the compensation, support and resettlement plan has been approved and resettlement arranged, except in defined cases: national important projects and urgent public investment projects where the plan has been publicly posted, other projects where more than 75% of land users agree to recovery before approval, and projects resettling users on site or along the route of the main works (Article 3(3)).

Recovery for violations, including unused land

Article 81 lists the violations for which land may be recovered: continued use for an unauthorised purpose after a fine; continued destruction of land after a fine; allocation or lease to the wrong person or by an unauthorised body; receipt of land from a person not entitled to transfer it; allowing State-managed land to be encroached; failure to meet financial obligations to the State; and non-use. For agricultural land, non-use means 12, 18 or 24 consecutive months by crop type, combined with a fine and failure to start use by the deadline set.

For investors the decisive provision is Article 81(8). Land allocated, leased, converted or received by transfer for an investment project can be recovered if it is **not used for 12 consecutive months from physical handover**, or if its use is **more than 24 months behind the schedule** in the investment project. The investor may obtain an extension of up to 24 months, but must pay the State an additional amount equal to the land use levy or rent for the extension period. If the land is still not put into use when the extension ends, the State recovers it **without compensation for the land, the assets on it or the remaining investment costs** in the land. Force majeure is excluded (Article 81(9)), and Decree No. 226/2025/ND-CP clarified when the extension period starts. Article 3(10) of the resolution confirms that no compensation for land is paid on recovery under Article 81 or under clauses 1 and 2 of Article 82.

The rule interacts with the Law on Investment, under which a project 24 months behind its IRC schedule without an approved extension can be terminated (The Investment Registration Certificate). Investors should therefore set realistic milestones in the IRC and the land documents, adjust them formally before they are missed, and keep evidence of any force majeure event. The quarterly investment reports, which record land use, are the authority's first source of information about delay (Reporting and ongoing obligations).

Article 82 covers the lawful end of land use: among other cases, the dissolution or bankruptcy of the land user, the expiry of the land term without extension, the termination of the investment project, voluntary surrender of the land and land that has become dangerous to life. On expiry or termination, what the investor may recover for its buildings depends on the terms of its project and lease.

Compensation, support and resettlement

Compensation for recovery under Articles 78 and 79 and the resolution's new cases covers the land, the assets on it, and losses from the interruption of production and business, together with support and, for households, resettlement. Article 5(3) of Resolution No. 254/2025/QH15 sets the basis for compensation for land: the area recovered, the land use term, the price in the provincial land price table multiplied by the adjustment coefficient, and the purpose and form of use. Before 2026 a specific land price was determined for each project; compensation is now based on the table and coefficient without waiting for a specific valuation, which is faster but may be lower than market value in some areas (Land rent, land prices and Resolution 254).

The form of use is decisive. A land user that holds land by allocation with levy or by lease with one-off rent is compensated for the land for the remaining term. A lessee paying **annual rent** is generally not compensated for the land itself, but for its remaining investment costs in the land and for its assets on it. Assets are compensated at their value: under Article 3(11) of the resolution, a building that must be wholly or partly demolished so that the remainder no longer meets technical standards is compensated at the cost of new construction of equivalent standard, and otherwise at actual damage under provincial rules. Provinces issue unit prices for crops, livestock and forests and set additional support measures (Article 3(11) and (12)). The detailed rules are in Decree No. 88/2024/ND-CP on compensation, support and resettlement, as amended by Decree No. 226/2025/ND-CP and supplemented by Decree No. 49/2026/ND-CP, and in provincial decisions issued under them.

Investors that need land cleared usually advance the compensation money under the approved plan. Under Article 94(2) of the Land Law the advance is deducted from the land use levy or rent payable, and Article 3(8) of the resolution applies the deduction across the whole project and each land decision. An investor that advances more than it can deduct should agree the treatment in advance with the province.

How a recovery for a public project runs

- 1 Planning and the land use plan**

The project must fall within an Article 78 or 79 case or a case added by the resolution, and be in the land use plan and approved planning.

- 2 Notice of recovery**

The competent authority notifies the land user, owners of assets and other interested persons at least 60 days before the recovery decision for agricultural land and 120 days for non-agricultural land (Article 3(9)(a) of Resolution No. 254/2025/QH15, shortening the 90 and 180 days in Article 85 of the Land Law).

- 3 Survey and inventory**

Officials measure the land and record the assets, crops and business affected; the land user should attend, check the record and add evidence of investment costs.

- 4 Compensation plan, posting and dialogue**

A compensation, support and resettlement plan is prepared on the price table and coefficient, posted at the commune People's Committee and residential area and on the commune portal for 10 days; if objections remain, a dialogue is held within 30 days of the consultation (Article 3(9)(b)).

- 5 Approval and recovery decision**

The plan is approved and the recovery decision issued, normally only after the plan is approved and resettlement arranged, save for the exceptions in Article 3(3).

- 6 Payment and handover**

Compensation and support are paid and the land handed over; if the user refuses, the authority may enforce the decision under the procedure in the Land Law.

- 7 Complaint or lawsuit**

The land user may complain to the authority that issued the decision and then to its superior, or sue in the administrative court; the decision generally remains enforceable meanwhile.

Investor protection and remedies

Within Vietnamese law, a land user may complain against a recovery decision or a compensation plan under the Law on Complaints, first to the authority that issued it and then to the next level, or bring proceedings in the administrative court; since 1 July 2025 first-instance administrative cases are heard

by the reorganised regional and provincial courts (FAQ 71). Complaints must be made within the statutory time limits, and the investor should preserve evidence from the inventory stage onward: invoices, construction contracts, valuations, photographs and accounts showing investment in the land.

Above domestic law sit the guarantees in the Law on Investment. Article 9 of Law No. 143/2025/QH15 protects lawful assets against nationalisation and confiscation by administrative measures, and where the State requisitions or recovers assets for defence, security or the national interest, it must compensate under the law. A foreign investor protected by a bilateral investment treaty or an investment chapter in a free trade agreement may also have a claim for expropriation without compensation, or for unfair treatment, enforceable by international arbitration ([Investment guarantees and treaties; Chapter 9](#)). Treaty claims are a last resort, but structuring the investment through a protected jurisdiction and keeping records with a claim in mind cost little at the outset (FAQ 50).

Recovery grounds and what the land user receives

Ground	Legal basis	Compensation for land	Notes
Defence and security	Land Law, Article 78; Resolution No. 254/2025/QH15, Article 3(1)	Yes, on the price table and coefficient (none for annual rent land, which receives remaining investment costs)	Assets, business interruption and support also compensated
Socio-economic development (31 cases)	Land Law, Article 79	As above	Includes industrial parks, high-tech parks, urban and rural residential projects
Free trade zones and the international financial centre	Resolution, Article 3(2)(a)	As above	New from 1 January 2026
Remaining land under the 75% rule	Resolution, Article 3(2)(b) and 3(7)	As above, topped up to the average agreed price	Requires provincial People's Council approval; investor advances the top-up
Non-use or 24 months' delay after a paid extension	Land Law, Article 81(8)	None, and none for buildings or remaining investment costs	Force majeure excluded; extension up to 24 months against payment
Other violations (wrong use, unpaid obligations)	Land Law, Article 81	None	Usually after a fine and failure to remedy
Expiry, termination, dissolution, surrender	Land Law, Article 82	None for land in the cases in clauses 1 and 2	Treatment of buildings depends on the project and lease

WORKED EXAMPLE

A road-widening recovery affecting a factory on annual rent

A foreign-invested textile company leases 4 hectares outside a park on annual rent and has operated since 2016. The province plans to widen the national road and will recover a 6,000 m² strip, including a warehouse. The amounts are illustrative.

Notice (month 0)	Notice of recovery received 120 days before the planned decision, since the land is non-agricultural.
Inventory (month 1)	Officials record the 6,000 m ² strip, a 2,500 m ² warehouse built in 2017 with a permit, a weighbridge and internal roads. The company submits construction contracts and accounts.
Compensation for land	None for the land itself, because rent is annual. Remaining investment costs in the land (levelling and filling in 2016), as shown by records: VND 1.8 billion.
Compensation for assets	The warehouse cannot be partly demolished and remain compliant, so it is compensated at the cost of new construction of equivalent standard: VND 9.5 billion; weighbridge and roads VND 1.2 billion.
Support	Support for relocating stock and interruption of production under the provincial decision: VND 0.8 billion.
Plan and dialogue (months 2 to 3)	Plan posted for 10 days; the company objects to the land-cost figure; a dialogue is held within 30 days and the figure is raised after the company produces further invoices.
Decision and payment (month 4)	Recovery decision; payment; handover of the strip. The annual rent is reduced pro rata from the date of recovery, and the company's certificate and lease are amended.

Had the company paid one-off rent, it would also have been compensated for the land for the remaining term on the price table and coefficient.

The company's own documentary records drove the result; without invoices the land-cost element would have been minimal.

Questions investors ask about land recovery

Can the State take my land for a private project?

Only in the listed cases. Article 79 of the Land Law covers 31 public-interest cases, including industrial parks and urban residential projects, and Resolution No. 254/2025/QH15 adds free trade zone and financial centre projects and the remaining land where an investor has agreed terms with over 75% of users and area.

What is the 75% rule?

Under Article 3(2)(b) of Resolution No. 254/2025/QH15, where an investor assembling land by agreement has, by the deadline, agreed terms for more than 75% of the area and with more than 75% of users, the provincial People's Council may approve State recovery of the rest, with holdouts compensated and topped up to the average agreed price.

What happens if I do not use my project land?

Under Article 81(8) of the Land Law, land unused for 12 consecutive months after handover, or more than 24 months behind schedule, can be recovered after a paid extension of up to 24 months. If still unused, it is recovered without compensation for land, buildings or remaining investment costs, save for force majeure.

How is compensation calculated after Resolution 254?

On the area, the land use term, the provincial land price table multiplied by the adjustment coefficient, and the purpose and form of use, under Article 5(3) of the resolution. A lessee on annual rent receives its remaining investment costs in the land and the value of its assets, not the value of the land.

How much notice of recovery must be given?

At least 60 days before the recovery decision for agricultural land and 120 days for non-agricultural land, under Article 3(9)(a) of Resolution No. 254/2025/QH15, which shortened the 90 and 180 days in Article 85 of the Land Law. The compensation plan is posted for 10 days, with a dialogue within 30 days if objections remain.

THE 2027 HORIZON

- The draft amended Land Law (proposed effective date 1 March 2027) would make the 75% rule permanent and add social rental housing, digital technology zones and large logistics centres linked to ports, airports or inland waterways to the recovery cases.
- The same draft would replace the fixed 24-month paid extension for unused land with recovery triggered by continued non-use after an administrative sanction, making the timing of recovery less predictable; investors should watch the final wording closely.
- Commentary on the draft has questioned the legal and social consequences of compulsory recovery above the 75% threshold, and the National Assembly may add safeguards before passage.

Terms you will meet in the documents

English	Vietnamese	Meaning
Land recovery	Thu hồi đất	The State's withdrawal of land use rights in the cases the law lists.

English	Vietnamese	Meaning
Notice of land recovery	<i>Thông báo thu hồi đất</i>	Advance notice to the land user before the recovery decision.
Compensation, support and resettlement plan	<i>Phương án bồi thường, hỗ trợ, tái định cư</i>	The plan fixing what each affected user receives.
Remaining investment cost in the land	<i>Chi phí đầu tư vào đất còn lại</i>	What an annual-rent lessee is compensated for instead of the land.
Extension of land use for a delayed project	<i>Gia hạn sử dụng đất</i>	Up to 24 months against payment under Article 81(8).
Force majeure	<i>Sự kiện bất khả kháng</i>	An event that excludes recovery for non-use and unpaid obligations.
Administrative complaint	<i>Khiếu nại hành chính</i>	A challenge to a decision made to the issuing authority.
Enforcement of a recovery decision	<i>Cưỡng chế thực hiện quyết định thu hồi đất</i>	Compulsory handover where the user refuses.

FOREIGN V VIETNAMESE INVESTOR

The recovery grounds, the compensation rules and the non-use rule apply equally to Vietnamese and foreign-invested land users. A foreign investor has two additional layers of protection: the guarantees in Article 9 of the Law on Investment, which apply to all investors, and, where its home state has a treaty with Vietnam, the possibility of an international claim for expropriation without compensation.

WATCH OUT FOR

- Letting a project slip past the 12-month or 24-month triggers without a formal extension; recovery after the extension is without any compensation.
- Assuming annual-rent land will be compensated at land value; it will not.
- Poor records of investment in the land and buildings, which are the basis of compensation for annual-rent lessees.
- Planning searches that miss a road, utility or urban project earmarking part of the site.
- Missing the time limits for complaints and administrative lawsuits while negotiating informally.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Land Law No. 31/2024/QH15, Articles 78 to 85 and 94; Resolution No. 254/2025/QH15, Articles 3 and 5 — <https://vbpl.vn>
- Government portal (chinhphu.vn): Decree No. 88/2024/ND-CP, Decree No. 226/2025/ND-CP and Decree No. 49/2026/ND-CP — <https://chinhphu.vn>
- Ministry of Agriculture and Environment (land recovery and compensation policy) — <https://mae.gov.vn>
- Official Gazette (congbao.chinhphu.vn) — <https://congbao.chinhphu.vn>

Real estate business and development projects: conditions for developers, what foreign-invested companies may do, off-plan sales and bank guarantees, transfers of projects, investor selection for housing, condotels, and the structures foreign developers use

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- Real estate business must be carried on through an enterprise (or cooperative), save for small-scale individuals, and a project developer needs equity of at least 20% of total investment capital for a project using under 20 hectares and 15% for 20 hectares or more (Article 9, Law No. 29/2023/QH15, in force 1 August 2024; Decree No. 96/2024/ND-CP).
- A foreign-invested company that follows the foreign-investor procedures may build housing and other works for sale, lease and lease-purchase on land allocated or leased to it, invest in infrastructure, take transfers of projects and lease property to sublet; it may not, for example, buy completed property from others in order to resell it (Article 10).
- Off-plan housing may be sold only once the conditions in Article 24 are met; deposits are capped at 5% of the price, the first payment at 30%, payments before handover at 70%, or 50% for a seller that follows the foreign-investor procedures, and 95% until the certificate issues, and the sale must be backed by a bank guarantee (Articles 23, 25 and 26).
- A project may be transferred in whole or in part only if it has investment policy approval and an investor, an approved detailed plan, completed compensation and land free of disputes, seizure and mortgage, and the transferee meets the Article 9 conditions (Articles 39 to 42).
- Most foreign developers enter by acquiring or partnering with a Vietnamese company that already holds an approved project, because direct allocation of housing land requires investment policy approval and an auction or bidding unless the investor already holds the land.

The legal framework for real estate business

Law No. 29/2023/QH15 on Real Estate Business was passed on 28 November 2023 and took effect on 1 August 2024, together with the Land Law and the Housing Law. It is implemented mainly by Decree No. 96/2024/ND-CP, which details the conditions for real estate businesses and sets the model contracts, and Decree No. 357/2025/ND-CP, which from 1 March 2026 governs the housing and real estate market information system. Real estate business, meaning investing in, building, buying or taking transfers of property in order to sell, transfer, lease, sublease or lease-purchase it for profit, together with real

estate brokerage, trading floors, consultancy and management services, is a conditional business line under Article 7 of the Law on Investment, and real estate is among the lines open to foreign investors only on conditions in Appendix I of Decree No. 96/2026/ND-CP ([Market access for foreign investors](#)).

The Ministry of Construction and provincial Departments of Construction regulate the market. Land for projects is obtained under the Land Law ([How foreign-invested companies access land](#)), and housing and urban projects need investment policy approval under Article 24 of the Law on Investment before land is allocated or the investor selected ([Investment policy approval](#)).

Conditions for real estate businesses and developers

Under Article 9 of the law, an organisation or individual carrying on real estate business must establish an enterprise or cooperative; only individuals trading on a small scale, as defined by the Government, may do so without one, declaring and paying tax. The enterprise must not be in a situation that bars it from business, and must publish information about itself and the properties it offers on its website and through the national information system.

A developer of a real estate project must also meet financial conditions. Article 9(2) requires equity of not less than **20% of total investment capital for a project using less than 20 hectares** and not less than **15% for a project using 20 hectares or more**, and Decree No. 96/2024/ND-CP limits the ratio of the developer's outstanding credit and corporate bonds to its equity and sets how equity is evidenced, generally by audited financial statements or an independent audit report on the capital. The developer must have been selected or recognised as the investor of the project under the investment and land laws. Equity must cover all of a developer's projects in aggregate, which is one reason developers use a separate company for each development.

Real estate service businesses have their own conditions. A brokerage must have at least one person holding a real estate brokerage practising certificate and must register its information before operating, individual brokers must work within a service enterprise, and payments in real estate business must be made through bank accounts. Real estate businesses are reporting entities under Law No. 14/2022/QH15 on Anti-Money Laundering and must identify customers and report suspicious and large transactions ([FAQ 86](#)).

What a foreign-invested company may do

Article 10 of the law sets the forms of real estate business open to each kind of investor. Vietnamese organisations and individuals may use every form. A foreign-invested company that must follow the foreign-investor conditions and procedures under the Law on Investment, broadly one more than 50% foreign-owned ([The Law on Investment 2025](#)), may: build houses and other construction works for sale, lease and lease-purchase, on land allocated or leased to it under the Land Law; invest in technical infrastructure within real estate projects for transfer or lease; take a transfer of all or part of a real estate project to continue its development; and lease houses or works in order to sublet them. A foreign-invested company at or below the 50% threshold may use the same forms as a Vietnamese company.

The practical gaps for a majority foreign-owned company are that it develops rather than trades: it cannot buy completed houses or buildings from others simply in order to resell them, and it cannot take transfers of land use rights for residential plots outside a project. It may, however, act as the developer of residential, commercial, office, industrial, tourism and mixed-use projects, sell and lease the product, and provide real estate services.

Off-plan sales, deposits and bank guarantees

Most residential projects are financed in part by sales of off-plan units, which the law calls housing formed in the future. Article 24 sets the conditions before such units may be sold, leased or lease-purchased: the project must have been approved for the purpose of building for sale or lease-purchase, the land documents must be in place and the land use levy or rent paid, construction must have started under the construction law with a construction permit where required, the land must be free of disputes and seizure, the project information must have been published, and the provincial housing authority must have confirmed in writing that the units are eligible for sale. A developer may take a deposit only once the project meets the conditions for business, and of no more than **5% of the price**, under an agreement stating the price and floor area (Article 23(5)).

Article 25 caps payments. The first payment may not exceed **30%** of the contract value, including the deposit; later payments follow construction progress, and the total before handover may not exceed **70%**, or **50%** where the seller is a foreign-invested company within Article 10(4), that is, one following the foreign-investor procedures; and until the buyer receives the certificate the seller may collect no more than **95%**, the final 5% being paid when the certificate issues. For lease-purchase the first payment is also capped at 30% and prepayments at 50%. Article 26 requires the developer to obtain a guarantee from a commercial bank or foreign bank branch for its obligations to buyers of off-plan housing, so that buyers are repaid if the developer fails to deliver on time. The guarantee cost, the cap on pre-handover receipts and the equity rule together determine how much of a project a foreign developer must fund itself or through project finance ([Project finance, security and the financial centre](#)).

Bringing off-plan units to market

- 1 Complete the project approvals**
Investment policy approval with the developer approved or selected, IRC, land allocation or lease decision, and the detailed plan; the approval must state the purpose of building for sale or lease-purchase.

- 2 Pay land obligations and start construction**
Pay the land use levy or rent, obtain the construction permit where required, and start construction under the construction law.

- 3 Publish project information**
Publish the project, the legal documents and the units offered on the developer's website and the national information system.

4 Obtain the bank guarantee

Arrange a guarantee from a commercial bank or foreign bank branch covering the developer's obligations to off-plan buyers under Article 26.

5 Obtain the provincial confirmation

Apply to the provincial housing authority for written confirmation that the units are eligible for sale; only then take deposits, capped at 5%.

6 Sign contracts on the model and collect payments

Use the model contracts in Decree No. 96/2024/ND-CP, collect payments by bank transfer within the Article 25 caps, and hand over and apply for buyers' certificates on completion.

Transfers of real estate projects

A developer may transfer all or part of a real estate project to another investor, which then steps into the developer's position, under Articles 39 to 42 of the law. Article 40 sets the conditions. The project must have investment policy approval or equivalent approval and a selected or recognised investor, an approved detailed plan and completed compensation and resettlement, and, for infrastructure projects, the related infrastructure built; the land must be free of disputes, seizure and transaction bans, any mortgage must be released, the project must not be suspended, terminated or subject to a recovery decision, and it must still be within its implementation period; a partial transfer must be capable of standing alone. The transferor must hold the land decision and have paid its land obligations, but need not yet hold a certificate; the transferee must meet the Article 9 conditions and continue the project as approved. Articles 41 and 42 set the approving authority and the procedure.

Resolution No. 254/2025/QH15 eased two points: a transferee may obtain an adjusted land term against payment of additional rent (Article 4(7)), and in transitional cases the transferee inherits the land obligations the transferor already performed (Article 11(7)). Because a project transfer requires State approval and reopens the project's compliance, many investors prefer to acquire the shares of the project company instead, leaving the project and the land where they are; that route needs Article 21 registration where triggered, merger control above the thresholds and careful tax planning ([Tax on share transfers and dividends](#); Chapter 8).

Selecting the investor for housing projects

Housing and urban projects always need investment policy approval, and the investor is then chosen in one of three ways, explained in [Investment policy approval](#): by auction of land use rights where the land is clear and planned, by bidding to select an investor for urban and rural residential projects, or by approval of an investor that already holds the land use rights or has acquired them by agreement. Article 4(5) and (6) of Resolution No. 254/2025/QH15 now allow auctions and bidding for housing and urban projects to proceed on the basis of a zoning or general plan, without waiting for a detailed plan. Since 1 April 2025 Resolution No. 171/2024/QH15 has allowed, for five years, commercial housing

projects on agricultural or non-residential land acquired by agreement or already held, on sites listed by the provincial People's Council. A foreign bidder that wins must implement the project through a company established in Vietnam (FAQ 46).

Condotels, officetels and other non-residential units

Units in tourism accommodation buildings (condotels, sometimes marketed as tourism apartments or villas) and office-cum-residence units (officetels) are not housing. Article 5(2) of the law treats tourism and accommodation works and mixed-use works as construction works that may be sold, lease-purchased or leased, including off-plan once the Article 24 conditions are met, and Decree No. 96/2024/ND-CP provides model contracts. Buyers can now obtain certificates for such units for the term of the underlying commercial and service land, rather than the indefinite term of residential land. On the reading adopted by most practitioners, foreign individuals and foreign organisations without a Vietnamese entity may lease but not buy such units, while foreign-invested companies may buy them. The regime has changed several times, so specific advice is needed before committing.

Market practice and typical structures for foreign developers

Foreign developers rarely start from bare State land. The usual structures are: **acquisition of a project company** that already holds an approved project and land, often in stages tied to approvals, with Article 21 registration and a share purchase agreement carrying detailed land warranties; a **joint venture** with a Vietnamese developer that contributes the land use rights or the project company, the foreign party contributing capital and expertise, sometimes kept at or below 50% foreign ownership so that the company may use the domestic forms in Article 10; an **asset transfer** of all or part of a project under Article 40; and **forward funding or forward purchase** of completed buildings, such as offices, logistics facilities or rental housing, by a foreign-invested company that will lease them out. Business cooperation contracts without a company are used for some revenue-sharing arrangements but cannot hold land.

Each structure carries the same core risks: whether investment policy approval, planning and land allocation are complete; whether land use levy has been finally determined and paid, since unpaid levy is often the largest hidden liability; whether compensation is finished; whether the equity requirement can be met; and whether the project is on schedule under its IRC and the Land Law. VAT on real estate is charged at 10%, the sector having been excluded from the temporary 8% rate (FAQ 22), and a foreign corporate seller of a project company pays tax at 2% of gross proceeds.

Key rules for developers and off-plan sales

Rule	Requirement	Source
Business form	Enterprise or cooperative, except small-scale individuals	Law No. 29/2023/QH15, Article 9
Developer equity	At least 20% of total investment (under 20 ha); 15% (20 ha or more); limits on credit and bonds relative to equity	Article 9(2); Decree No. 96/2024/ND-CP

Rule	Requirement	Source
Foreign-invested company (foreign-investor procedures)	Develop for sale, lease, lease-purchase; infrastructure; project transfers; lease to sublet	Article 10
Off-plan deposit	Only once eligible; no more than 5% of the price	Article 23(5)
Off-plan payments	First 30%; before handover 70% (50% if the seller follows the foreign-investor procedures); 95% until certificate	Article 25
Bank guarantee	Required for off-plan sale and lease-purchase of housing	Article 26
Project transfer	Approved project, cleared land, no disputes or mortgage, within implementation period; transferee meets Article 9	Articles 39 to 42
Market access	Real estate business is a conditional line for foreign investors	Decree No. 96/2026/ND-CP, Appendix I

WORKED EXAMPLE

A foreign developer acquires 70% of an 8-hectare residential project

A Singapore developer agrees to buy 70% of a Vietnamese project company holding an approved 8-hectare residential project in Dong Nai with total investment capital of VND 4,000 billion. The figures and timings are illustrative; professional fees are typical market ranges, not quotations.

Equity test	Project under 20 ha, so the developer needs equity of at least 20% of VND 4,000 billion: VND 800 billion. The project company's charter capital is increased to VND 850 billion as part of the deal.
Land status	Investment policy approval with the company as approved investor; land allocated with levy; compensation 92% complete; land use levy provisionally assessed, final notice pending. The unresolved levy is priced through a retention.
Approvals for the share deal	Article 21 registration because foreign ownership rises above 50% and real estate is a conditional line; merger control checked against the thresholds; enterprise registration updated.
Months 1 to 4	Due diligence; share purchase agreement with land, levy and compensation warranties; Article 21 registration filed in month 3 and completed in month 4; first tranche paid.
Months 5 to 12	Completion of compensation; construction permit; bank guarantee arranged; provincial confirmation of eligibility for sale in month 11; deposits capped at 5%.
Sales economics	The company is now more than 50% foreign-owned and within Article 10(4), so payments before handover are capped at 50% of each price rather than 70%, increasing the funding the shareholders and lenders must provide.

Professional fees (typical ranges)	Legal due diligence and transaction documents: USD 80,000 to 250,000 for an international firm; tax and financial due diligence separately.
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Had the Singapore developer taken 49%, the company would not follow the foreign-investor procedures and could sell with the 70% pre-handover cap, at the cost of minority control.

An asset transfer of the project under Article 40 would have required the land and compensation to be complete first, and provincial approval of the transfer.

Questions investors ask about real estate development

Can a foreign-invested company develop and sell housing in Vietnam?

Yes. Under Article 10 of Law No. 29/2023/QH15 a foreign-invested company may build housing and other works for sale, lease and lease-purchase on land allocated or leased to it, take project transfers and lease property to sublet. It cannot buy completed property from others merely to resell it, and needs investment policy approval for housing projects.

How much equity must a real estate developer have?

At least 20% of total investment capital for a project using under 20 hectares and 15% for a project of 20 hectares or more, under Article 9(2) of Law No. 29/2023/QH15 and Decree No. 96/2024/ND-CP, which also limits outstanding credit and bonds relative to equity. Equity must cover all of the developer's projects.

How much can a developer collect before handing over an off-plan apartment?

No more than 70% of the contract value, or 50% where the seller is a foreign-invested company following the foreign-investor procedures, with the first payment capped at 30% including a deposit of up to 5%. Until the certificate issues the seller may collect no more than 95% (Articles 23 and 25 of Law No. 29/2023/QH15).

Can a real estate project be sold to a foreign investor?

Yes, by project transfer under Articles 39 to 42 of Law No. 29/2023/QH15 if the project is approved, the land cleared and free of disputes and mortgage, and the buyer meets the Article 9 conditions, with State approval; or, more commonly, by buying the project company's shares, with Article 21 registration where required.

Can foreigners buy condotel units?

Foreign-invested companies may buy them. On the reading most practitioners adopt, foreign individuals and foreign organisations without a Vietnamese entity may lease condotel units under Law No. 29/2023/QH15 but not buy them, and certificates for such units run for the term of the commercial land. Take specific advice before committing.

THE 2027 HORIZON

- The draft amendment to the housing rules published in September 2026 would change investor-selection rules for housing projects and bar foreigners from owning villas and townhouses, which would affect the product mix foreign developers can sell to foreign buyers.
- The draft amended Land Law (proposed effective date 1 March 2027) would base land use levy on the price table and coefficient permanently, reducing the uncertainty over final levy that has delayed many projects, and would require digital registration of transactions.
- The five-year pilot for commercial housing on land acquired by agreement under Resolution No. 171/2024/QH15 runs to 2030; its extension or incorporation into the amended law is under discussion.

Terms you will meet in the documents

English	Vietnamese	Meaning
Real estate business	<i>Kinh doanh bất động sản</i>	Investing in property to sell, lease or lease-purchase it for profit, and related services.
Real estate project	<i>Dự án bất động sản</i>	A development project for housing, works or infrastructure.
Housing formed in the future	<i>Nhà ở hình thành trong tương lai</i>	Off-plan housing not yet completed.
Lease-purchase	<i>Thuê mua</i>	A lease under which the lessee becomes owner after paying the agreed amounts.
Transfer of a real estate project	<i>Chuyển nhượng dự án bất động sản</i>	Sale of all or part of a project to another investor, with State approval.
Owner's equity	<i>Vốn chủ sở hữu</i>	The developer's own capital, at least 20% or 15% of project capital.
Real estate trading floor	<i>Sàn giao dịch bất động sản</i>	A licensed platform for real estate transactions.
Tourism accommodation work (condotel)	<i>Công trình lưu trú du lịch (condotel)</i>	A non-residential unit sold or leased under the Law on Real Estate Business.

FOREIGN V VIETNAMESE INVESTOR

A Vietnamese developer, or a company at or below 50% foreign ownership, may use every form of real estate business, including buying completed property to resell, and may collect up to 70% of an off-plan price before handover. A company following the foreign-investor procedures is limited to the development forms in Article 10, collects no more than 50% before handover, and needs Article 21 registration when it buys into a project company. The equity, guarantee and transfer rules apply to both.

WATCH OUT FOR

- Unpaid or provisionally assessed land use levy in a target project company, often the largest hidden liability in a real estate deal.
- Taking deposits or signing off-plan contracts before the provincial confirmation of eligibility for sale.
- The 50% pre-handover cap for sellers within Article 10(4), which changes project cash flow once foreign ownership exceeds the threshold.
- Equity spread across several projects in one company falling below the 20% or 15% requirement.
- Condotel and officetel structures whose land term, certificate position or foreign eligibility has not been confirmed for the specific project.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Law No. 29/2023/QH15 on Real Estate Business, Articles 9, 10, 23 to 26 and 39 to 42; Decree No. 96/2024/ND-CP — <https://vbpl.vn>
- Ministry of Construction (housing and the real estate market) — <https://moc.gov.vn>
- Government portal (chinhphu.vn): Resolution No. 171/2024/QH15 and Decree No. 357/2025/ND-CP — <https://chinhphu.vn>
- Ministry of Finance: Law No. 143/2025/QH15 on Investment and Decree No. 96/2026/ND-CP (market access) — <https://mof.gov.vn>