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Vietnam

Real Estate

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This country-specific Q&A provides an overview of real estate laws and regulations applicable in Vietnam.

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Vietnam: Real Estate

1. Overview

Real estate remains one of the most sensitive yet strategically important sectors in Vietnam. It continues to be a decisive factor for investment activities and is expected to generate significant opportunities for growth in the coming years, particularly for foreign investors.

In recent years, the real estate market has witnessed notable shifts, driven by new legal regulations, infrastructure development, and national administrative merger. In this context, understanding the legal framework on real estate and its practical implementation is essential for both foreign and domestic investors seeking to operate in Vietnam. This guide highlights key legal and practical considerations for investors before entering Vietnam's real estate market.

2. What is the main legislation relating to real estate ownership?

Real estate ownership in Vietnam is primarily regulated by Civil Code 2015; Law on Land 2024; Law on Real Estate Business 2023; Law on Residential Housing 2023; Law on Construction 2014; Law on Credit Institutions 2024; Law No. 43/2024/QH15 amending several provisions of Law on Land 2024, Law on Residential Housing 2023, Law on Real Estate Business 2023, and Law on Credit Institutions 2024; Law on Investment 2020, amended in 2024; Law on Enterprises 2020, amended in 2025; and Law on Urban and Rural Planning 2024.

These primary laws are further detailed through implementing instruments such as decrees of the Government, decisions of the Prime Minister, circulars of Ministries, and resolutions of the Central Committee of the Communist Party of Vietnam. For instance, Decree No. 151/2025/ND-CP on the delineation of powers between two levels of local government, and on decentralization and delegation of powers in the land sector; Decree No. 102/2024/ND-CP guiding the implementation of the Law on Land 2024; Decree No. 226/2025/ND-CP amending and supplementing decrees guiding the Law on Land 2024; Decree No. 96/2024/ND-CP elaborating certain articles of Law on Real Estate Business 2023; Decree No. 95/2024/ND-CP guiding the Law on Residential Housing 2023; Decree No. 71/2024/ND-CP on land price; and Resolution 18-NQ/TW

dated 16 June 2022 on the Government's policies regarding land use and management.

3. Have any significant new laws which materially impact real estate investors and lenders come into force in the past year or are there any major anticipated new laws which are expected to materially impact them in the near future?

The following legal instruments (non-exhaustive), which have recently taken effect, are expected to significantly impact investment activities in the land sector:

a. Resolution No. 254/2025/QH15 providing for certain mechanisms and policies to address difficulties and obstacles in the implementation of the Law on Land.

This resolution includes three chapters and thirteen articles. It was issued on 11 December 2025 and came into force on 01 January 2026."

b. Law No. 47/2024/QH15 on Urban and Rural Planning. This law includes five chapters and fifty-nine articles. It was issued on 26 November 2024 and came into force on 01 July 2025.

c. Decree No. 151/2025/ND-CP on the delineation of powers between two levels of local government, and on decentralization and delegation of powers in the land sector. This decree includes twenty-three articles. It was issued on 12 June 2025 and came into force on 01 July 2025.

d. Decree No. 226/2025/ND-CP amending and supplementing decrees guiding the Law on Land 2024. This decree includes ten articles. It was issued on 15 August 2025 and came into force on the same date.

e. Decree No. 87/2025/ND-CP on reduction in land rents of 2024. This decree includes seven articles. It was issued on 11 April 2025 and came into force on the same date.

4. How is ownership of real estate proved and are ownership records available for public

inspection?

Ownership of real estate in Vietnam is proved through the issuance of a certificate of land use rights, house ownership rights, and other properties attached to the land ("LURC"). The LURC, serves as the official document by which the Government certifies the lawful land use rights and ownership of property attached to the land of a holder of land use rights and ownership of property attached to the land.

In addition to possessing a LURC, land parcels, houses and buildings must also fulfil certain other requirements. They must not be involved in any dispute, must not be seized for the enforcement of a court judgment concerning the land use rights or subject to provisional emergency measures in accordance with applicable laws, and the land use term must remain valid.

Currently, the Government is developing national land databases, including a database managed at the central level and databases managed by provinces and centrally-governed cities. Through these databases, the public may have access to certain land-related information such as legal documents on land; cadastral records; land investigation, assessment, protection, improvement, and rehabilitation; land prices; land statistics and inventory; inspection, examination, citizen reception, and settlement of land-related disputes, complaints, and denunciations; and other land-related data. However, the ownership records are still not fully open for public inspection as the exploitation of information from the national databases is subject to the approval of the competent authority managing the national land databases in accordance with applicable law.

5. Are there any restrictions on who can own real estate, including ownership by any foreign entities?

Yes. Vietnam imposes several restrictions on real estate ownership, especially in relation to foreign entities.

Under the Law on Land 2024, only certain foreign entities are eligible to use land in Vietnam, specifically foreign-invested companies and foreign diplomatic organisations, while ordinary foreign companies and other foreign organisations that do not fall under these categories are generally not permitted to use land.

In particular, foreign-invested companies can obtain land use rights through the following forms:

- Land allocation from the Government with land

- levy payment (subject to a land-using project);
- Land lease; or
- Capital contribution by land use rights.

Regarding residential houses, foreign organisations and individuals are entitled to own residential houses in Vietnam in the following circumstances:

- Foreign-invested companies investing in residential house construction projects in Vietnam;
- Foreign-invested companies, branches, representative office of a foreign enterprise, foreign funds and foreign bank branches that are licensed to operate in Vietnam; and
- Foreigners who can lawfully enter Vietnam and are not entitled to diplomatic or consular privileges and immunities according to the Laws of Vietnam.

Foreigners may only purchase and own a limited number of houses in an apartment building, residential area, or street, as restricted under Law on Residential Housing 2023. Specifically, the total number of apartments that foreigners may purchase, lease purchase, receive as a gift, inherit, and own in a single building is capped at 30% of the total units in that building. The ownership term is limited to 50 years for foreign individuals (except those who are married to Vietnamese citizens), and, for foreign organisations, to the term stated in the investment registration certificate.

Regarding construction works, foreign-invested companies are permitted to acquire construction works or their floor areas from real estate project investors or real estate enterprises for the purpose of serving their operation, in accordance with the defined function of such construction works.

6. What types of proprietary interests in real estate can be created?

In Vietnam, land is not privately owned. By law, all land belongs to the people, with the Government acting as their representative and exercising full management authority. Individuals and organisations are granted only land use rights, while ownership rights extend to assets attached to the land, such as houses or buildings. However, they may hold ownership rights over assets affixed to the land, such as houses, buildings, and other structures. These two sets of rights, land use and asset ownership, are jointly recorded in the LURC (previously recognised as Certificate of land use rights, ownership of housing and other assets attached to land). Land users

have, for example, the right to transfer, lease, sub-lease, give away, and mortgage their land use rights, similar to ownership rights.

7. Is ownership of real estate and the buildings on it separate?

In Vietnam, individuals and organisations are entitled only to land use rights, not land ownership. Buildings and structures on a plot are typically registered to the same party holding the land use rights.

Under Law on Land 2013, land registration was mandatory, while registration of ownership over houses and other assets was optional. However, the Laws of Vietnam did not clearly state whether a house owner could be different from the land use right holder. In practice, courts have found that transferring land use rights without the associated buildings creates legal uncertainty regarding the parties' rights and obligations. Such transactions may even be considered unenforceable or invalid at signing under Article 408 of Civil Code 2015, as the land and the structures on it are treated as a single indivisible unit.

From 2024, the Laws of Vietnam formally recognised that ownership of real estate and buildings may be registered separately. In such cases, one party may hold land use rights while another holds ownership of the residential property. The competent authority will issue two distinct LURCs to reflect this separation.

8. What are common ownership structures for ownership of commercial real estate?

In Vietnam, commercial real estate is developed and sold by real estate developers. Commercial real estate can include apartments, villas and shophouses. Those who purchase commercial real estate can register their ownership over it, the land area, and/or assets attached to the land, subject to whether they are Vietnamese individuals, foreigners, local companies or foreign-invested companies. Under Vietnamese law, land is owned by the State and cannot be privately owned. Vietnamese individuals and organisations are granted *land use rights* by the State, while foreign organisations and individuals can only obtain land use rights through lease arrangements with the State. However, buildings and other structures constructed on leased land may be owned by the lessee during the lease term. Foreign organisations or foreigners may own commercial housing properties through purchase, lease-purchase, receipt as a gift, or inheritance from licensed housing project

developers, subject to statutory ownership caps, location restrictions related to national defence and security, and other conditions under the laws of Vietnam.

9. What is the usual legal due diligence process that is undertaken when acquiring commercial real estate?

The usual due diligence should cover critical aspects of the land sale, including legal, technical, financial, and accounting matters. While there is no universally accepted market standard of legal due diligence when acquiring real estate, purchasers should at least pay attention to the following points:

- The legal status of the real estate (e.g., whether the real estate is currently under dispute or subject to any security measures.), the registered owner, the type, and term of title over the real estate;
- The legal capacity of the sellers/transferors;
- The validity of land documents (i.e., LURC, the decision on land lease, and the decision on land allocation of the competent authority,);
- The validity of the relevant certificates and permits (i.e., investment registration certificate, construction permit, and documents evidencing the building is ready for use);
- Review of the lease/sale and other relevant documentation involving third parties;
- Legal checks on unsettled encumbrances, mortgages, restrictions, disputes, or conflicts over the real estate;
- Land use planning and zoning;
- Construction planning and zoning;
- Pending claims including any pending or threatened lawsuits, claims, or other actions involving the real estate;
- The status of completion of the financial liabilities with respect to the real estate; and
- Regulatory and financial obligations arising from acquiring the real estate.

10. What legal issues (if any) are outside the scope of the usual legal due diligence process on an acquisition of real estate?

The following issues may not be covered by the usual legal due diligence on an acquisition of real estate:

- Environmental risks and hazards;
- Assessment of market land price range; and

- The history of the land acquisition process.

11. What is the usual process for transfer of real estate, and when does liability pass to the buyer?

Once the conditions for transferring real estate have been satisfied, both buyer and seller can refer to the following steps to conduct the transfer process:

- Preparing the draft transfer agreement and relevant documents;
- Notarising the transfer agreement before a notary public;
- Submitting the notarised transfer agreement along with the transfer application dossier to the land registration authority;
- Completing the financial obligations to the transfer by paying all relevant taxes and fees; and
- If the application dossier is complete and valid, the land registration authority will issue the certificate reflecting the new owner of the LURs for the real estate.

Under the provisions of the Civil Code of Vietnam, where the sale and purchase of property involves assets requiring ownership registration, the seller bears the risk until completion of the registration of the buyer's ownership, unless otherwise agreed by the parties.

Accordingly, in real estate transactions, the parties may agree on the point of time at which the risk in respect of the property is transferred. In the absence of such agreement, liability for the real estate passes from the seller to the buyer upon completion of the registration of land use rights and ownership of assets attached to the land in the buyer's name.

12. Is it common for real estate transfers to be effected by way of share transfer as well as asset transfer?

When a real estate transaction is structured as a share transfer in a company that owns the property, the buyer acquires indirect ownership or control over the underlying real estate. In such a transfer, the land use rights holder and owner of assets attached to the land remains the company whose shares are being transferred. By contrast, in an asset transfer, the transferee is directly registered as the new owner of the land use rights and the assets attached to the land. It should be noted that where the target company holds a single investment project and is a land owner, the competent authorities

may regard the share transfer as constituting a transfer of the real estate project itself. For this reason, the dispute resolution clause in land-related share transfer agreements needs to be carefully crafted, as under the Land Law 2024, courts of Vietnam and domestic arbitration institutions have exclusive jurisdiction to adjudicate the land-related disputes.

The share transfer procedure is primarily governed by the Law on Investment and the Law on Enterprises. In certain cases prescribed by the Law on Investment, a foreign purchaser may be required to obtain an in-principle approval from the competent investment authority before entering into an official share transfer agreement with the seller.

13. On the sale of freehold interests in land does the benefit of any occupational leases and income derived from such lettings automatically transfer to the buyer?

Yes. In principle, upon the transfer of land use rights and/or ownership of assets attached to land, the buyer succeeds to the seller's position in respect of existing occupational leases. Accordingly, the buyer generally becomes entitled to the rights and benefits, and assumes the obligations and liabilities, of the seller as landlord under such leases, subject to the terms of the relevant lease agreements, applicable law and any specific arrangements between the parties, including with respect to rent accrued but unpaid prior to the transfer.

On the other hand, Article 173.2 of the Law on Residential Housing 2023 provide that tenants are entitled to continue renting a house until the expiry of the lease contract if ownership of that house is transferred to another party. In this case, the new owner of the house is responsible for continuing the obligations of the previous lease contract, unless otherwise agreed by the parties. In accordance with Article 20.3.d of the Law on Real Estate Business 2023, tenants of housing, building, or floor areas are also entitled to continue leasing under their existing contracts with the new landlords if the property changes ownership.

Each type of land user holds a different scope of land use rights, which may vary depending on the transferee's eligibility and the regulatory requirements regarding land use rights compatibility under the Law on Land 2024. Therefore, it is essential to review the qualifications of the transferor and transferee before conducting any land transfer to ensure compliance with applicable regulations.

14. What common rights, interests and burdens can be created or attach over real estate and how are these protected?

Common rights, interests, and burdens that can be created or attached over real estate are as follows:

A) Common rights and interests

1. LURs and ownership of assets attached to the land;
2. Rights to transfer, lease (or sublease), bequest, exchange, give away, or donate the LURs and ownership of assets attached to the land;
3. Rights to contribute capital using LURs and ownership of assets attached to the land;
4. Rights to mortgage LURs and ownership of assets attached to the land as collateral for loans or other obligations;
5. Easements;
6. Right to compensation, support, and resettlement in the event of lawful expropriation; and
7. Rights to lodge complaints, initiate legal proceedings, or pursue administrative remedies in cases of infringement of LURs and ownership rights to attached assets.

B) Common burdens

1. Mortgages over LURs and ownership of assets attached to the land must be registered with the Land Registration Office to be effective against third parties. Once registered, these create a charge on the property that follows the asset regardless of transfer.
2. Planning and land use restrictions, including zoning, land use purposes, construction density and other planning requirements, are binding on all land users.
3. Obligations attached to land, such as payment of land use fees, land use taxes, and compliance with environmental requirements, continue to apply to the land user.

Protection of rights and interests created or attached over real estate

1. Civil law protection: Owners and right-holders may exercise self-help measures or initiate civil actions to reclaim property, seek compensation where restitution is impossible, or request removal of unlawful obstructions. The Civil Code also protects bona fide third parties in certain cases (e.g., property acquired by a bona fide third party relying on registered

ownership, acquisition through auction) to ensure transactional stability.

2. Administrative law protection: State authorities may issue administrative decisions to recover property, impose sanctions on violators. Currently, Decree No. 123/2024/NĐ-CP provides for administrative sanctions in the land sector.
3. Criminal law protection: Serious infringements, such as fraud, or unlawful appropriation, are criminalized under the Criminal Code 2015 (amended in 2017).

15. Are split legal and beneficial ownership of real estate (i.e. trust structures) recognised?

Under the Law on Land 2024, the land user named in the LURC is the lawful and sole owner of the land. Although Vietnamese law recognises certain forms of joint ownership that resemble some characteristics of a trust, it does not distinguish between legal ownership and beneficial ownership as in common law jurisdictions. Joint ownership under Vietnamese law is classified into two types: ownership by shares and consolidated ownership.

Ownership by shares: Each co-owner's share is specifically determined (e.g., co-ownership among heirs to inherited property). Co-owners have rights and obligations in proportion to their share. A co-owner may transfer their share, subject to other co-owners' statutory right of first refusal (within three months of receiving notice of the intended sale and its conditions). Upon death, the deceased's share is inherited in accordance with succession law.

Consolidated ownership: The shares of each co-owner are not separately identified, and all co-owners hold equal rights and obligations. This includes divisible consolidated ownership (e.g., marital property) and indivisible consolidated ownership (e.g., common areas in apartment buildings). Disposal of the property requires unanimous consent of all co-owners. Upon death, the deceased's share is inherited in accordance with succession law.

16. Is public disclosure of the ultimate beneficial owners of real estate required?

Vietnamese law does not require the public disclosure of the ultimate beneficial owners of real estate. Only the registered owner of land use rights and assets attached to the land, as recorded in the LURC, is recognised and

may be publicly searchable.

17. What are the main taxes associated with real estate ownership and transfer of real estate?

Amounts payable to the State associated with real estate ownership:

1. Land use fees: Land use fees are payable by a land user right owner to the State in cases such as where land is allocated by the State with land use fees or where the State permits a change of land use purpose into a category subject to land allocation with land use fees.
2. Land use taxes: Non-agricultural land in Vietnam is subject to land tax, which is calculated based on the size of the land multiplied by the land price per square meter and the applicable progressive tax rate (ranging from 0.03% to 0.15%). The tax rate varies depending on the location and land use purposes, with higher rates applied to urban and commercial properties. The land price per square meter is determined according to the official land price list corresponding to the purpose of use. From 1 January 2026, the land price list will be decided annually by the provincial People's Council (previously by the provincial People's Committee).

Main taxes associated with transfer of real estate:

1. Income tax from the transfer of real estate: Corporate transferors are subject to Corporate Income Tax (CIT) at 20% on net gains. Individual transferors are subject to Personal Income Tax (PIT) at 2% of the transfer price. Where an individual transfers land use rights, the taxable price is determined according to the official land price list issued by the competent authority.
2. Value Added Tax (VAT)
3. Registration fee: Payable before registration of land use rights or ownership of assets attached to land, at 0.5% of the land value. The land value is calculated based on the size of the land subject to the fee and the unit price per square meter as set out in the official land price list issued by the competent authority.

18. What are common terms of commercial leases and are there regulatory controls on the

terms of leases?

Some common terms of commercial leases include:

- a. Information of the parties; b. Information on the leased property; c. Lease duration; d. Rental price; e. Payment schedule and payment method; f. Handover conditions; g. Rights and obligations of the contracting parties; h. Commitments of the contracting parties; i. Sub-lease right; j. Lease termination; k. Return of the leasing property; and l. The effective date of the agreement.

Regulatory controls on the terms of leases?: Yes, the terms of a lease must comply with the provisions in Sub-section 1 of Section 5 "Assets lease contracts" and Section 7 "Land use rights contracts" of Chapter XVI "Certain common contracts" in the Civil Code 2015, Article 45.1 of Law on Land 2024 as well as Article 163 of the Law on Residential Housing 2023.

19. What remedies are commonly available for landlords in the event of a tenant breach of a commercial lease?

Upon the tenant's breach of a commercial lease, on a case-by-case basis, the landlord may:

- Unilaterally terminate the commercial lease contract;
- Retain the deposit;
- Ask for monetary penalty (if expressly provided for in the agreement); and
- Ask for compensation based on actual damage caused by the tenant's breach.

Under the Laws of Vietnam, if a landlord and tenant relationship is classified as commercial, both monetary penalties and damages may be claimed concurrently, even in the absence of an explicit agreement. In practice, however, certain courts may still treat the relationship as governed by civil law, in which case compensation for damages is enforceable alongside monetary penalties only where the parties have agreed in advance. Therefore, it is advisable to expressly stipulate both remedies in the lease contract to avoid legal uncertainty.

20. How are use, planning and zoning restrictions on real estate regulated?

Use, planning and zoning of real estate in Vietnam are governed by land, housing, construction and urban planning legislation, with restrictions varying depending on the legal status of the land user or property owner.

Foreign individuals can own houses in Vietnam but are not permitted to own land.

Foreign organisations can only own houses to accommodate their employees and are not permitted to lease such houses or use them for office or other commercial purposes.

Foreign individuals are effectively barred from owning construction in Vietnam, as legal provisions imply exclusion despite no explicit prohibition.

If Vietnamese individuals, Vietnamese organisations, overseas Vietnamese, foreign individuals, or foreign organisations investing in Vietnam lease land from the Government under the form of annual payment, the lessee cannot contribute land as equity.

Foreign individuals and foreign organisations are only permitted to purchase, lease-purchase, receive gift, inherit commercial housing properties in housing investment and construction projects in areas without strict national defence and security requirements.

21. Who can be liable for environmental contamination on real estate?

Any individual or organisation that commits environmental violations on real estate can be held liable.

22. Are buildings legally required to have their energy performance assessed and in what (if any) situations do minimum energy performance levels need to be met?

Yes. Subject to the National Technical Regulation on Energy Efficient Buildings No. QCVN 09:2017/BXD, issued with Circular No. 15/2017/TT-BXD, there are mandatory technical requirements when designing, building, or renovating works with a total floor area of 2,500 m² or more of the following types or mixtures of works:

1. Offices;
2. Hotels;
3. Hospitals;
4. Schools;
5. Trades and services; and

6. Apartments.

23. Is expropriation of real estate possible?

Yes, the Vietnamese Government can expropriate land under the regulations and procedures prescribed by the Laws of Vietnam. The Government can decide to expropriate land in a range of circumstances. These include expropriation for national security and defence, expropriation due to violations of Laws of Vietnam on land, expropriation as a result of the voluntary return of land by the land user, etc.

24. Is it possible to create mortgages over real estate and how are these protected and enforced?

Yes, real estate in Vietnam can be mortgaged. However, it is important to note that foreigners cannot take out a mortgage over real estate in Vietnam. Mortgages will be protected and enforced by courts and competent authorities through a court litigation process.

25. Are there material registration costs associated with the creation of mortgages over real estate?

Yes. Registration costs are set at the discretion of local authorities. For example, in Ho Chi Minh City, the applicable fee range for organisations is from VND 1,350,000 to VND 1,750,000 per application dossier.

26. Is it possible to create a trust structure for mortgage security over real estate?

Vietnam does not yet have a concept of "trust" defined in law. However, in practice, the trust structure for mortgage security over real estate has been commercially arranged between foreign lenders (i.e. foreign banks or foreign entities), local banks in Vietnam, and borrowers. In this structure, the local bank will receive the mortgage security over the real estate from the borrower. If there is a mortgage security enforcement event, the proceeds of the enforcement will be used to repay the borrower's foreign loan to the foreign lender.

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