

RUBIX INSIGHTS

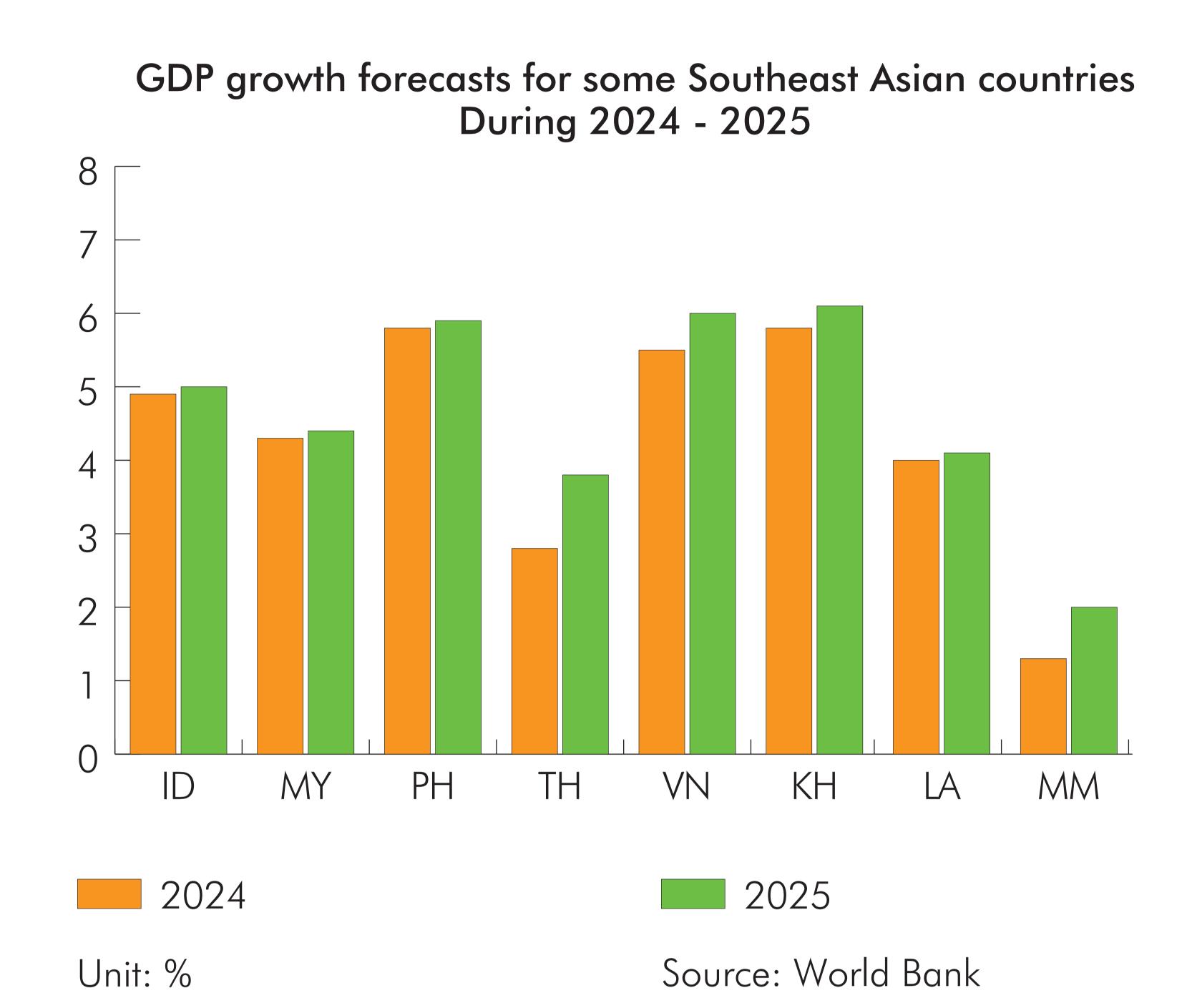
Real Estate

After enduring a challenging 2023 marked by high interest rates, a weaker-than-expected recovery in mainland China, and geopolitical tensions that weighed on leasing and investment activity, the Asia Pacific (APAC) real estate market is poised for a brighter 2H 2024. Therein, many housing markets in regional gateway cities will continue benefiting from factors like wealth effect, demand exceeding supply, and optimistic economic growth prospects. In the office sector, corporate net zero carbon goals are driving ambitious decarbonization strategies for occupiers by energy audits, sustainable fit-outs, and green leases, leading to a significant gap between supply and demand for sustainable and green-certified buildings in the region.

Hospitality

Most Asian destinations are rebounding strongly and moving closer to pre-pandemic levels, with visitor arrivals forecasted to reach 564 million in 2026. Especially, Southeast Asia will witness the year of tourism in 2024 with a strong return of Chinese tourists and a new driving force from Indian tourists. In addition, resort areas in Southeast Asia like Phuket and Danang have emerged as luxury housing hot spots to cater to long-term stays of wealthy people from China and Russia. In this context, CapitaLand established a new lodging private fund with a target equity size of US \$600 million to invest in serviced residences and co-living properties in APAC's gateway cities.

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Economy

According to World Bank, growth in developing East Asia and Pacific is outpacing the rest of the world, but the region will likely see slower growth in 2024 amid headwinds in China and broader policy uncertainty. The growth is expected to ease to 4.5% this year, slowing from last year's 5.1% expansion. The outlook is also subject to downside risks, which include a greater than expected slowdown in the global economy, higher for longer interest rates in major economies, and an intensification of geopolitical tensions. Besides, many regional countries depend on external demand for export growth and several are exposed through trade linkages to economic activity in the US and EU, which are other factors limiting the growth in 2024.

Policy

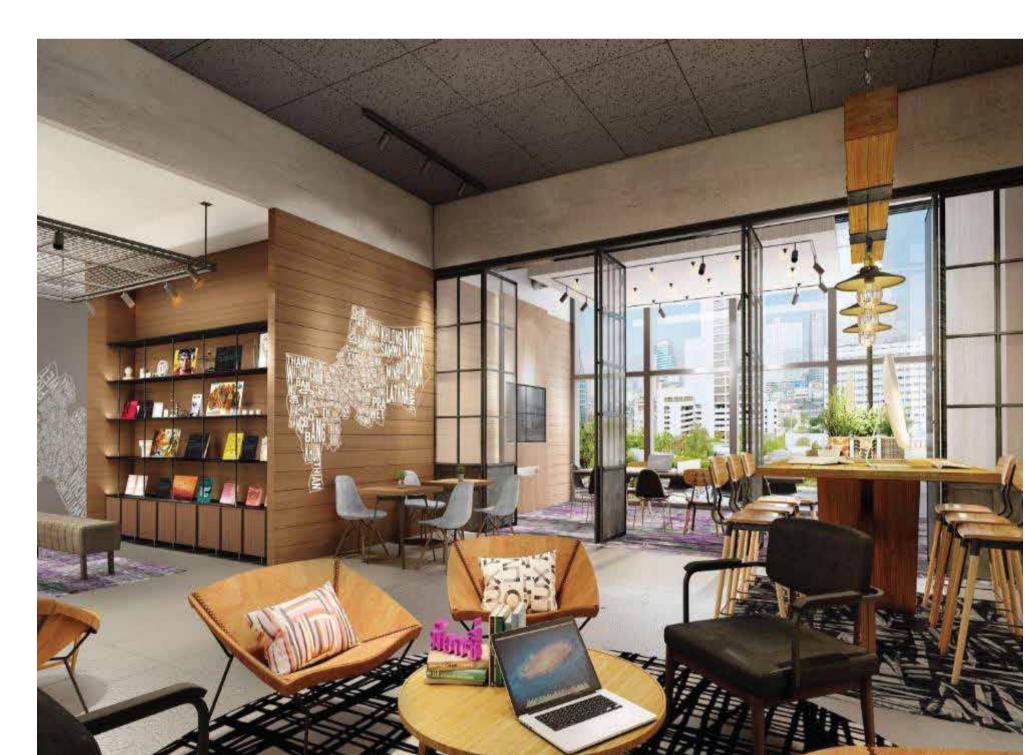
The revised Land Law of Vietnam, approved on 18 January 2024 and taking effect from 1 January 2025, is expected to boost Vietnam's investment attractiveness while providing more flexible options for business operations and capital sources diversification in the real estate industry. There are many notable changes made to the law, and the decision to eliminate fixed land pricing and use land prices based on market principles is the most significant modification. The law also allows to convert from a lump-sum lease to an annual lease payment, transfer agricultural land, as well as expand land and asset mortgagees to include both Vietnam-based credit institutions and other economic organizations and individuals.

RUBIX BRIEF



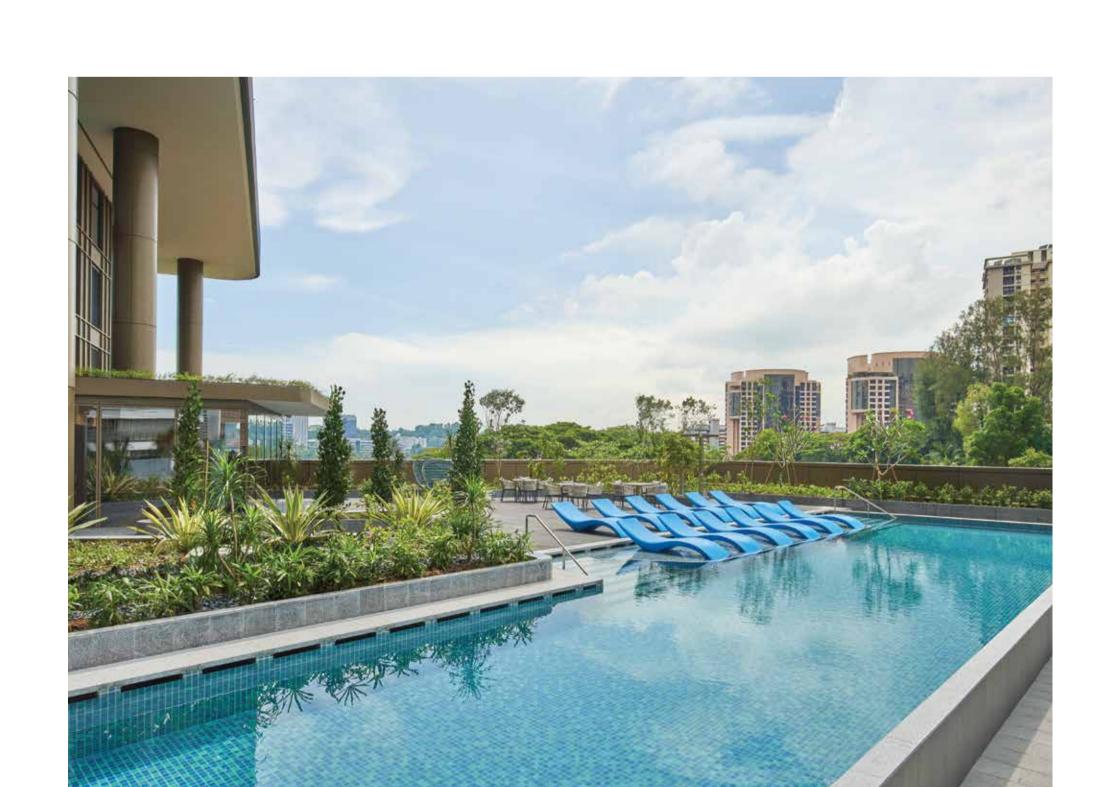
Vietnam ranks 2nd in Asia-Pacific in attracting real estate investors

CBRE has released this result in a recent survey, saying that investment flows into Vietnam have mostly come from Asian investors like Singapore, South Korea, Japan, and Hong Kong (China). According to Statista, Vietnam's real estate market is expected to reach a value of US \$4.41 trillion this year, surpassing Thailand's US \$2.51 trillion. In this context, CapitaLand Development announced to grow its residential portfolio in Vietnam to 27,000 units by 2028 to take advantages of the country's robust economic fundamentals, favourable demographics and increasing urbanization. In the hospitality market, Hilton opened the 228-key Hilton Saigon and the 197-key La Festa Phu Quoc, Curio Collection by Hilton. Meanwhile, Centara would inaugurate the 261-key Centara Life Vung Tau and the 536-unit Centara Residence Doi Dua in Vung Tau City in Q1 2027.



A plenty of optimism in the Thai hospitality market

The Thai industrial and hotel markets are expected to continue growing in 2024, while the housing market would experience the second consecutive year of decrease due to stricter rules for mortgage lending, elevated interest rates, and weak market sentiment. Therein, Bangkok is forecasted to welcome 10 world-class mixed-use developments in the CBD over the next 4 years, providing around 911,000 sqm of grade A office space, 534,000 sqm of retail space, 5,400 condominium units and 5,900 luxury hotel keys. In this context, Marriott inaugurated the largest Moxy property in APAC, the 504-key Moxy Bangkok Ratchaprasong, in the center of Bangkok. Meanwhile, Dusit announced the soft opening of the 132-key Dusit Princess Phatthalung, and the upcoming reopening of the 257-key Dusit Thani Bangkok as part of Dusit Central Park in September 2024.



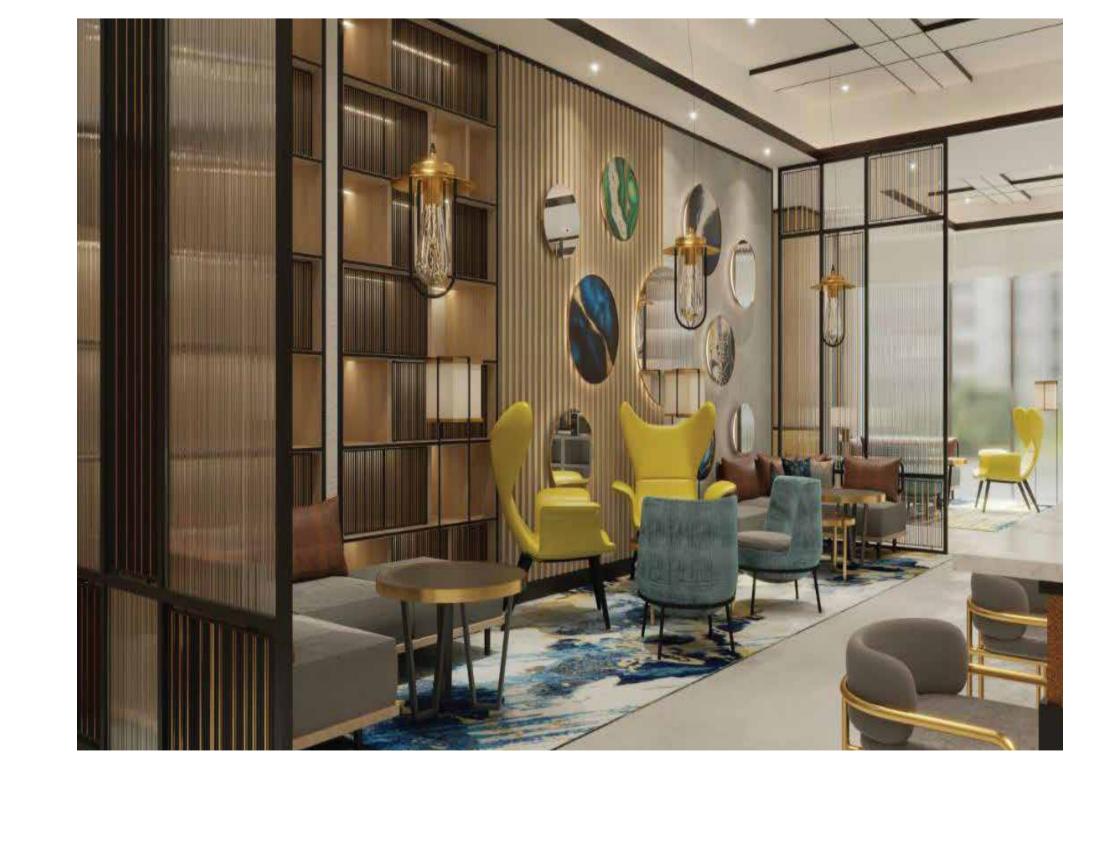
Singapore's private home price growth slows

Private home prices in Singapore rose at a slower clip in Q1 2024 as transaction volumes shrank, weighed down by rising retrenchments, slowing wage growth and still-high interest rates. The number of units sold reduced to 3,482 this quarter, down 20% from Q4 2023 and 16% y-o-y. Developer sales have been tepid, hitting a 15-year low of 6,421 units in 2023 on weak economic conditions and several rounds of cooling measures. In the hospitality market, Ascott announced the opening of the 250-unit Citadines Science Park Singapore nestled within Singapore Science Park and the upcoming launching of the 308-unit lyf Bugis Singapore, a green-certified property, in mid-2024. Meanwhile, Marina Bay Sands is about to undergo the second phase of transformation worth US \$750 million, featuring more than 550 hotel rooms to be refurbished.



Malaysia and the Philippines welcome mega projects

In Malaysia, Accor inaugurated the 299-unit Mercure Living Putrajaya while Marriott announced the soft opening of the 480-key Moxy Putrajaya and put the 223-key Penang Marriott Hotel into operation. At the same time, Pan Pacific introduced its upscale ParkRoyal brand with the inauguration of the 213-key ParkRoyal AFamosa Melaka Resort. In this context, Tropicana Corp Bhd proposed to sell its Courtyard by Marriott Penang Hotel for a total cash consideration of US \$34.8 million to a unit of IOI Properties Group Bhd. In early December last year, Tropicana also disposed of its W Kuala Lumpur to IOI for US \$57 million. In the Philippines, Accor continued its rapid expansion with the signing of Pullman Mactan Cebu Hotel & Residences, set to become the largest Pullman property with 200 keys and 900 branded residences.



More hotels open in Indonesia, Cambodia and Laos

In Indonesia, Hyatt debuted the Hyatt Place brand with the opening of the 145-key Hyatt Place Makassar, while Accor inaugurated 105-key ibis Jakarta Raden Saleh, and Radisson announced to welcome guests at the 150-key Radisson Resort Anyer in 2027. In Cambodia, Accor welcomed the 254-key Novotel Phnom Penh BKK 1, the first Novotel property in Phnom Penh. Besides, Radisson is scheduled to complete a dual-branded project by Q1 2026, featuring the 200-key Radisson Red Phnom Penh and the 250-key Radisson Blu Hotel & Residences, Phnom Penh. Both hotels are integrated within Prince Happiness Plaza, a mixed-use development comprising retail, dining and commercial spaces. In Laos, Centara opened the 95-key Cosi Vientiane Nam Phu, welcoming travelers to explore the city's vibrant life, heritage, and history.



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