


## **Vietnam to relax foreign property ownership rules, boosting overseas investment**

**A change in policy is set to boost overseas investment in Vietnamese real estate. The new policy, effective from July 1, will allow foreigners with a valid residential visa, plus foreign companies and international organizations, to buy residential real estate in Vietnam.**

 Currently only foreigners married to Vietnamese are allowed to buy houses. Special permission to buy property is also granted to those considered to be making significant contributions to the nation's development.

Vietnam's property markets are already booming. Causes include low interest rates, speedy urbanization and the government's focus on improving infrastructure. Besides, Vietnam's economy grew at 5.8% last year. During this year's first quarter there were over 8,000 property transactions, triple the number in the same period last year, according to the Ministry of Construction.

The new rules will pave the way for a fresh wave of foreign investment in Vietnamese property markets, experts believe. Foreigners will be permitted to own 30% of all dwellings in an apartment building and 250 independent houses in a ward — an administrative area that can contain thousands of properties — with a 50-year lease. The relaxation of the rules is in accordance with similar laws in other countries in the region. In Thailand, for example, where foreigners are limited to 49% ownership of condos.

Ho Chi Minh City and Dan Nang in particular will see a spurt in foreign investment due to availability of high-end apartments and luxury houses, experts say.

Nearly 80,000 foreigners now live in Vietnam, but just 800 of them own residential properties, according to the Ministry of Natural Resources and Environment.

Source: <http://www.globalpropertyguide.com/>