Residential Real Estate: 2026 Outlook & Strategy

What residential developers' leaders are signaling — through Chairman messages & strategic direction in the 2025 Annual Reports

VHM · NVL · KDH · NLG · PDR · DXG · DIG · HDG · VPI · SJS

Most management teams view 2026 as a year of selective recovery after the market's self-cleansing phase, prioritizing financial discipline and execution over chasing scale. The sharpest divide lies in leverage and bond maturities: half the group actively cut debt, the rest still face cash-flow pressure. Three shifts define the market ahead: closely tracking genuine demand and affordable homes, emphasizing the blend of services and green living, and digitalization – stronger governance.

10 REAL ESTATE DEVELOPERS	**10** MESSAGE THEMES	**~10%** 2026 GDP GROWTH TARGET	**4.5%** 2026 INFLATION TARGET

Consensus across leadership messages

Number of firms (out of 10) sharing each view

View	Firms
Market enters selective recovery	10/10
Tighten financial discipline, control leverage	9/10
Complete legal work to unlock supply	9/10
Digitalization, green building & ESG	8/10
Actively reduced leverage in 2025	6/10

Five messages shaping the group

01 A selective recovery cycle
The market screens out weaker players; genuine demand and clean legal status win.

02 Financial discipline is the survival line
Deleveraged firms pull away from those still facing bond and cash-flow pressure.

03 Legal reform is the key to unlocking supply
Three new laws and pilot mechanisms begin freeing up stalled projects.

04 Genuine demand & affordable homes lead
Many developers expand into affordable and social housing segments.

05 Services, green living & governance
Emphasizing services and green living, advancing digitalization and stronger governance.

Sector outlook by horizon

SHORT TERM · 2026
Legal progress and cash flow decide results: hand over pre-sold inventory, control leverage, launch eligible projects.

MEDIUM TERM · 2026–2028
New supply from the three laws and infrastructure; clear divergence by execution and financial health.

LONG TERM · 2028+
Integrated townships, large-scale affordable housing and green – digital standards shape a new growth cycle.

1. Macroeconomic outlook & the selective recovery

Consensus on a selective recovery cycle, after the market cleansed itself

Opening their 2026 messages, the leaders of ten residential developers share one view: the economy holds a solid base — 2025 GDP grew 8.02%, inflation is under control, public investment is accelerating, and the 2026 growth target aims for double digits. On that base, the property market is described as entering a phase of "selective" recovery after a period of self-cleansing. Notably, the tone is restrained: no firm claims a boom, but instead stresses genuine demand, execution capacity and financial discipline as the conditions to survive and pull ahead.

8.02%
2025 GDP growth
Base for the ~10% target in 2026

4.5–5.5%
2026 inflation forecast
An inflation pressure to watch in 2026

9–12%
Floating lending rate
A key factor for home purchasing power

The group's shared view: supports & watch-points

Supports emphasized

- Public investment and strategic infrastructure spill over into urban demand.
- Urbanization and resilient genuine demand, especially in Hanoi and around HCMC.
- Three new laws (Land, Housing, Real Estate Business) begin to unlock supply.

Watch-points

- Property credit remains tightly controlled, particularly late in the year.
- Construction material prices swing sharply (up 20–30% in places).
- Purchasing power is recovering but still selective, uneven across segments.

A few takes on the market cycle

VHM — "Entering 2026, the property market is forecast to move into a phase of selective recovery, shifting toward greener, more sustainable, transparent and disciplined development."
Chairman Pham Thieu Hoa

VPI — "In the coming period the property market is forecast to enter a new cycle, shifting from short-term speculation to value-based, sustainable investment."
Chairman To Nhu Toan

NLG — "Vietnam's property market has entered a strong screening phase — where rigor, transparency and execution capacity become the standard that sets firms apart."
Chairman Nguyen Xuan Quang & CEO Lucas Loh

TCBS ASSESSMENT

The 2026 macro backdrop looks conditionally favorable for residential real estate: solid growth, controlled rates and inflation, and a new legal framework that begins to unlock supply. The caution is that recovery in purchasing power remains selective and property credit stays tight, so the recovery will not filter through evenly across firms and segments. Thus "selective recovery" is not just a market description but an investor filter: the coming cycle rewards developers with clean legal status, disciplined finances and products matched to genuine demand, rather than lifting the whole sector.

2. New legal framework & unlocking supply

Three new laws and pilot mechanisms are seen as the key to the coming cycle

If one theme runs densest through this year's messages, it is legal reform. DIC Corp names it outright: implementing the 2024 Land Law, the 2023 Housing Law and the 2023 Real Estate Business Law "removes bottlenecks" and sets a base for a more transparent recovery. Khang Dien elevates it to an operating principle — "take transparent legal foundations as the guiding compass for all activities." In practice, most of 2025's major moves revolved around project legal status: where it was cleared, cash flow returned; where it remained stuck, plans had to slip. This is both a shared opportunity and a point of divergence in speed among developers.

- **NVL** Aqua City's detailed master plan was approved (June 2025); a government inter-agency task force is helping clear legal hurdles at several key projects.
- **NLG** Cleared key legal obstacles at Izumi City and Waterpoint in 2025 — the basis for resuming launches and attracting partner capital.
- **HDG** Linh Trung (HCMC) and 62 Phan Dinh Giot (Hanoi) entered the pilot list under Resolution 171/2024/QH15, with investment procedures being accelerated.
- **DIG** The province confirmed the State was 23 months late in handing over land at Chi Linh Center — proof that legal status remains a variable beyond a developer's control.
- **SJS** Nam An Khanh expansion received a schedule extension; site-clearance issues tied to the service-land policy are under review.

Positive progress

The new legal framework is more coherent; many large projects had master plans approved and thousands of certificates issued; pilot mechanisms open the way for land previously stuck.

Remaining obstacles

Land handover, land-use fee determination and site clearance still drag on; the lag between enacted laws and local application forces many launch plans to be revised.

TCBS ASSESSMENT

Legal status is the single most decisive variable for residential developers in 2026: it is both the driver that unlocks supply and the timing risk that can derail an entire revenue plan. The point to watch is the gap between enacted laws and the pace of local application — the 23-month handover delay shows the lag is real. For investors, the legal progress of each key project, not the size of the land bank on paper, is the closest gauge of a developer's ability to book revenue.

3. Land bank & geographic strategy

Large land banks, but the difference lies in location and commercialization capacity

Land bank remains the group's defining asset, yet this year's messages show the focus shifting from "accumulating land" to "picking the right locations and commercializing fast." Vinhomes pursues nationwide mega-townships and is starting to venture abroad; Khang Dien and Phat Dat concentrate on HCMC and its surroundings; Nam Long and Van Phu actively expand across both regions; while DIC Corp and Dat Xanh anchor to the HCMC – Dong Nai – Ba Ria corridor where infrastructure is accelerating. The common thread is prioritizing land with clear legal status and locations tied to infrastructure, rather than expanding at all costs.

Ticker	Land bank & core geography for 2026
VHM	Nationwide mega-townships (Hanoi, Ha Long, Da Nang, Khanh Hoa, Can Gio) and industrial parks; studying projects in Congo, India, Uzbekistan.
KDH	Over 160 ha in HCMC for 2026–2028, a vision to secure legal status for nearly 400 ha; plus 60 ha of industrial land.
NLG	Waterpoint (355 ha, Long An), Izumi City (169 ha, Dong Nai); cautious expansion to the North (Hai Phong).
DXG	A portfolio of 16 projects, about 52,000 units, concentrated in HCMC – Binh Duong – Dong Nai for 2025–2030.
PDR	Core markets HCMC (East) and Dong Nai; coastal projects in Quy Nhon, Con Dao, Da Nang.
DIG	The Dong Nai – Ba Ria – Vung Tau corridor (Dai Phuoc, Nam Vinh Yen, Chi Linh, CSJ) benefiting from regional infrastructure.
VPI	Launching across all three regions with the Vlasta line; a portfolio of eight projects in Hanoi, Hai Phong, HCMC, Hue, Bac Ninh.

TCBS ASSESSMENT

The group's land banks remain ample, but their real value only emerges when land is legally ready and in the right, infrastructure-linked locations. Anchoring to the HCMC – Dong Nai – Ba Ria corridor and fast-urbanizing zones is sound, though it also raises competition and dependence on public-infrastructure progress. For investors, land bank is best viewed through the lens of "how much can be sold over the next 2–3 years" rather than total area disclosed; commercialization capacity and infrastructure-linked location are what generate real cash flow.

4. 2026 business targets — a divided ambition

The whole group set its 2026 plan at the AGM; the difference lies in ambition

8/10 **firms target higher 2026 profit than in 2025**

SJ Group is the most ambitious (profit ~2.6x); DIC Corp deliberately plans a decline after a peak 2025.

At the 2026 AGM season (held in April), all ten firms had set their annual plans — but ambition varies widely. Among the accelerators: SJ Group targets after-tax profit about 2.6x (VND 1,195 billion), Van Phu up 83%, Phat Dat up 69%, Khang Dien up 44%. Vinhomes sets its highest-ever profit target — VND 60,000 billion (up 38%) on a vastly larger scale. At the other end, DIC Corp deliberately plans a "step back" (pre-tax profit down 27%) after a 2025 peak boosted by a project transfer; while Novaland targets roughly flat profit despite revenue more than tripling, reflecting the recovery phase after restructuring.

Ticker	2026 revenue target (VND bn)	2026 profit target (VND bn) — vs 2025
VHM	285,000	After-tax 60,000 — up 38%, highest ever
NVL	22,715	After-tax 1,852 — roughly flat (revenue up 226%)
PDR	8,830	After-tax 868 — up 69%
NLG	7,630	After-tax (parent) 720 — up 3% headline; core ~132%
DXG	5,000	After-tax (parent) 268 — up 16%
VPI	4,500	After-tax 720 — up 83%
KDH	4,200	After-tax 1,500 — up 44%
HDG	3,242	After-tax 1,151 — up 16%
DIG	3,000	Pre-tax 600 — down 27%, a deliberate step back
SJS	2,450	After-tax 1,195 — ~2.6x, highest ever

Source: 2026 AGM resolutions & 2025 Annual Reports. Profit as each firm discloses it (mostly consolidated after-tax; NLG & DXG parent-company after-tax; DIC Corp pre-tax).

TCBS ASSESSMENT

With the whole group's 2026 plans set, ambition diverges sharply — from targeting a decline (DIC Corp minus 27%) to several times over (SJ Group about 2.6x). This divergence mostly reflects different starting points: firms with a low 2025 base or fresh from restructuring set surging targets, while those coming off a peak year deliberately plan conservatively. For investors, target figures should be read alongside the 2025 base and feasibility — based on pre-sold inventory awaiting handover and legal progress — rather than the headline growth rate alone.

5. Financial leverage & bonds

Financial discipline becomes the group's sharpest dividing line

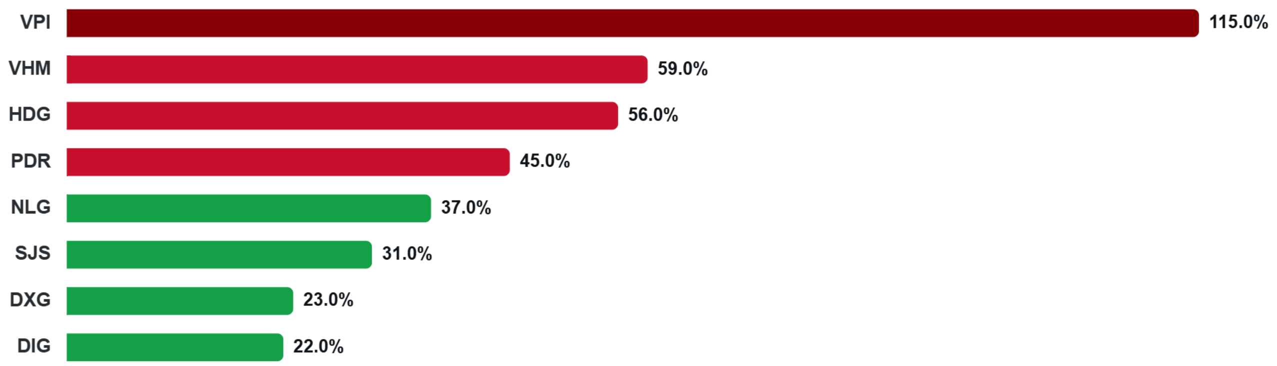
6/10 **firms actively reduced leverage in 2025**

DIC Corp cut debt/equity to 22% (lowest in five years); Novaland remains the highest, undergoing restructuring.

Leverage and bonds are where leadership messages diverge most. One group actively “lightened” its balance sheet in 2025: DIC Corp cut debt-to-equity from 47.9% to 22.3% and bought back VND 800 billion of bonds early; Dat Xanh lowered the ratio to 23% — a five-year low; Nam Long reduced borrowings 21%; Khang Dien fully repaid VND 1,100 billion of bonds, bringing the balance to zero; SJ Group uses no bonds. On the other side, pressure persists: Novaland carries about VND 67,391 billion in total borrowings and lease liabilities and must sell 16 assets (VND 18,541 billion) to secure liquidity; Vinhomes raised borrowings 80% to launch a new project cycle, with roughly VND 12,441 billion of bonds maturing in 2026; Van Phu increased borrowings and issued another VND 685 billion of bonds.

Borrowings / Equity at end-2025

% · firms with comparable figures



Source: 2025 Annual Reports. NVL has the highest leverage (restructuring); KDH has cut bonds to zero.

Deleveraging, strengthening the base

DIG (debt/equity 22.3%, bought back VND 800 bn of bonds), **DXG** (23%), **NLG** (borrowings down 21%), **KDH** (bonds to zero), **SJS** (no bonds, debt down 8.6%).

Still facing cash-flow / maturity pressure

NVL (total borrowings ~VND 67,391 bn, selling 16 assets to secure liquidity), **VHM** (~VND 12,441 bn of bonds maturing in 2026 — but to open a new cycle), **VPI** (borrowings up, issued another VND 685 bn of bonds).

TCBS ASSESSMENT

After the bond-market crisis, financial discipline has become the group's make-or-break yardstick, and leverage is the most reliable point of divergence. Two kinds of borrowing must be distinguished: firms deleveraging defensively (DIG, DXG, KDH, SJS) build a safety buffer, while Vinhomes raising debt is to proactively open a new project cycle — fundamentally different from Novaland's restructuring pressure. For investors, debt-to-equity, the bond maturity schedule and the ability to generate cash from sales are the three metrics to prioritize when screening these stocks for 2026.

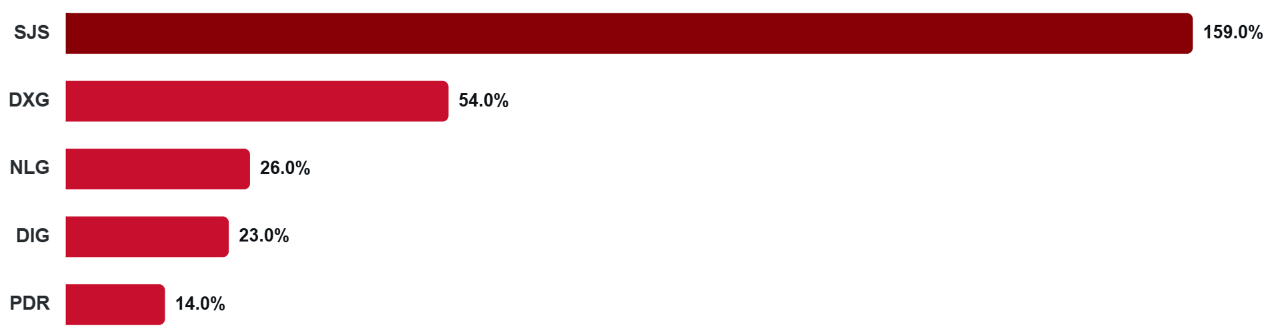
6. Capital raising & funding structure

A strong capital-raising wave: strengthening the base, but bringing dilution

Alongside deleveraging, 2025 was an active year of capital raising for the group — mostly to build up equity and restructure funding toward safer footing. SJ Group raised charter capital by 159% (combining stock dividends and transfers from equity); Dat Xanh grew 54% through three rounds, including a private placement to professional investors; DIC Corp offered 150 million shares for net proceeds of nearly VND 1,800 billion to fund projects and repay bonds; Nam Long raised over VND 1,000 billion. A notable trend is converting debt into equity: Phat Dat issued shares to swap VND 766.5 billion of borrowings, and plans to keep using this tool along with employee share issues in 2026 to cut its debt ratio.

Charter capital increase in 2025

% · firms with notable capital raises



Source: 2025 Annual Reports of the firms.

Ticker	Capital raising / funding structure 2025–2026
SJS	Charter capital up 159% (stock dividends + transfers from equity); sold all treasury shares to add working capital.
DXG	Three capital raises (+54%), including a private placement; in 2026 plans private bond issuance and strategic partnerships.
DIG	Offered 150 million shares for net proceeds of nearly VND 1,800 bn — allocated to projects and bond repayment.
PDR	Issued shares to swap VND 766.5 bn of debt and paid a stock dividend; continues debt-to-equity swaps in 2026.
NLG	Raised over VND 1,000 bn; maintains equity partnerships with Japanese investors at the project-company level.

TCBS ASSESSMENT

The capital-raising wave helps the group strengthen equity, reduce reliance on bonds and fund a new project cycle — a healthy move for the capital structure. The caution is dilution: when share counts grow faster than profit, earnings per share can be eroded in the near term, especially in large offerings. For investors, it is best to assess both the use of proceeds (debt repayment, funding legally clear projects or not) and the degree of dilution, rather than only the increase in charter capital.

7. Anchoring to genuine demand & affordable homes

Product focus shifts toward genuine demand, affordable and social housing

6/10 **firms emphasize genuine-demand, affordable or social-housing segments**

Vinhomes targets around 500,000 social-housing units; Nam Long treats affordable housing as a strategic pillar.

The biggest product convergence is the shift toward "genuine demand." Nam Long makes its affordable EHome/EHomeS line a strategic pillar, with revenue from this segment up 172% in 2025. Vinhomes develops its Happy Home social-housing brand, targeting around 500,000 units long term. Van Phu embeds thousands of social-housing units within projects in Hai Phong, Bac Ninh and Bac Giang. Khang Dien says it is studying a quality social-housing and reasonably priced commercial-housing model; SJ Group positions an "Accessible Premium" segment; Phat Dat pivots to closely follow genuine demand. The trend aligns with the social-housing policy drive and the market's selective purchasing power.

Pushing affordable / social housing

NLG (EHome/EHomeS, a strategic pillar), **VHM** (Happy Home, targeting ~500,000 units), **VPI** (thousands of social-housing units in the pipeline), **KDH** (studying social + reasonably priced commercial housing).

Genuine demand but keeping a mid-to-high position

SJS ("Accessible Premium"), **PDR** (multi-segment tied to genuine demand), **DXG** (mid-to-high apartments, suburban townhouses), **NVL** ("live-in – real value" townships).

TCBS ASSESSMENT

The group's collective shift toward genuine demand and affordable homes fits current purchasing power and the social-housing policy — improving liquidity and widening the customer base. The point to watch is margins: affordable and social housing typically carry thinner margins, requiring scale and tight cost control to be efficient. For investors, the ability to balance high-liquidity products (affordable) with high-margin products (mid-to-high end) will determine each developer's earnings quality in the coming cycle.

8. Shifts in business models

Asset-light, expanded services, multi-sector and strategic partnerships

Beyond developing and selling homes, many firms are opening new growth drivers to reduce reliance on the handover cycle. Phat Dat declares a shift from "asset-owning developer" to "strategic developer" on an asset-light, resource-sharing model. Dat Xanh made brokerage services its largest revenue source in 2025, at nearly 44% of revenue. Khang Dien adds industrial parks as recurring income; Ha Do leans on energy as a stable pillar while real estate is unfavorable. In parallel, partnering with foreign investors has become common — a way to both raise capital and lift development standards.

- **PDR** Shifting to a "strategic developer" asset-light model; partnering with Mitsubishi at Thuan An 1 rather than owning it fully, to optimize capital turnover.
- **DXG** Brokerage became the largest revenue source (nearly 44% of 2025 revenue), aiming to be the leading property-services brand and reduce reliance on handover revenue.
- **KDH** Brought the expanded Le Minh Xuan industrial park into operation for recurring income alongside home sales; maintains its joint venture with Keppel.
- **HDG** Energy contributes 80–90% of revenue as a stable pillar; targeting 1 GW of capacity over 2026–2030.
- **NLG** Maintains partnerships with Japanese investors (Hankyu Hanshin, Nishi-Nippon, Tokyu) at the project-company level; expands urban services (healthcare, education).

TCBS ASSESSMENT

These model shifts — asset-light, expanded services, multi-sector and foreign partnerships — all aim at the same goal: steadier cash flow and less exposure to real estate's inherent cyclical risk. The direction is positive, yet each model has its own challenge: asset-light requires project-management capability and reputation to attract partners; services and multi-sector need time to reach efficient scale. For investors, the actual contribution of new revenue streams to profit — not just the stated direction — is what to track quarter by quarter.

9. Digitalization, green building & governance

Digital operations, green development and stronger governance become common ground

Digitalization, green development and stronger governance appear in almost every message, reflecting the whole sector's push to professionalize after the cleansing phase. On technology, Vinhomes upgraded its resident app into a multi-service platform and pursues a transit-oriented development model; Novaland set up an AI center and a common data environment; SJ Group, DIC Corp and Van Phu are rolling out enterprise resource planning and end-to-end digitalization. On sustainability, Vinhomes develops ESG++ standard townships; Novaland treats ESG as a condition to reopen international capital; Phat Dat applies international green-building standards; DIC Corp is adopting international financial reporting standards.

Digitalization & operating technology

VHM: resident app upgraded into a multi-service platform; transit-oriented development model.

NVL: AI center, common data environment, an “AI-first” strategy.

DXG · SJS · VPI: deploying ERP systems, digitalizing sales and operations.

Green building & stronger governance

- **VHM:** ESG++ standard townships, pursuing international green-building certification.
- **NVL:** pursuing green certificates to reopen international capital.
- **PDR · DIG:** applying international green standards; DIC Corp adopting international financial reporting.

TCBS ASSESSMENT

Digitalization, green development and stronger governance are shifting from slogan to competitive condition: they directly affect operating costs, access to international capital and buyer trust. The caution is that the depth of real implementation still varies — some firms already measure results, others are only at the direction stage. For investors, green and digital commitments are best judged through concrete evidence (certifications achieved, cost efficiency, green capital raised) rather than statements in a report.

10. Candor in leadership messages

How openly leaders address their own difficulties is an early signal of governance quality

Unlike themes measurable in figures, a final point worth noting is how openly leaders speak about their own difficulties. After a turbulent cycle, most of this year's messages are less rosy: many leaders name internal shortcomings, cash-flow challenges, or segments that fell short. This is not a weakness but often a sign of management looking squarely at problems to prepare for the next cycle. The table below compiles the group's frankest statements.

NVL	*"The past three years were an unprecedented test… Macro volatility, disrupted capital flows and legal obstacles required a comprehensive restructuring."* — CEO Duong Van Bac
PDR	*"Our management still has shortcomings… standardization is uneven, resource allocation is at times scattered, and execution discipline has not been as consistent as expected."* — CEO Bui Quang Anh Vu
HDG	*"…ensuring business efficiency while the real estate segment did not perform as expected. As a result, Ha Do still met 94% of the year's profit plan."* — Chairman Le Xuan Long
VPI	*"Project development did not meet the expected pace… construction was hampered by surging material prices (up 20–30%) and labor shortages."* — Executive Board
DXG	*"The Board's task is to turn the new-cycle signal into real sales, real cash flow and verifiable execution capacity."* — Executive Board

TCBS ASSESSMENT

The candor of a message is an intangible asset: firms willing to name internal shortcomings and cash-flow challenges (Phat Dat, Novaland, Ha Do) are often strengthening their base for the next cycle and building long-term market trust. Conversely, what is left unsaid — open targets or legal timelines — is not necessarily a bad sign, but is where investors should proactively dig deeper and verify. Ultimately, leadership messages are best judged by the consistency between words and actions over multiple periods, rather than by the optimism of a single report.

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