

*Overseas remittances will continue adding a vital impetus to the economy, including the property sector in 2018, according to Le Hoang Chau, Chairman of the Ho Chi Minh City Real Estate Association.*



*Overseas remittances will continue adding a vital impetus to the property sector in 2018.*

Last year, remittances were estimated at 13.8 billion USD, up 20 percent from 2016's figure of 11.5 billion USD.

A thriving economy and an ease of the Land Law that allows foreigners to own houses in Vietnam are encouraging Vietnamese expats to send more money home. According to the State Bank of Vietnam, about 71 percent of the remittance flow is poured into business and some 21-22 percent goes into the real estate market.

By nature, remittances are a "one-way" source of funding and by size, they could reach as much as foreign direct investment (FDI) and foreign indirect investment (FII), said Sunny Hoang

Ha, Associate Director, International Residential Sales at Savills Vietnam.

Remittances are no longer only a form of aid from Vietnamese expats to their families. Now they play a much more important role in boosting economic growth. There are millions of Vietnamese living in the United States, Europe and neighbouring Asian countries and a growing number of them are finding their way home to work, invest or retire.

Savills Vietnam said it has received hundreds of inquiries from those living in the US, Canada, Australia and European nations to look for a house, mostly mid- and high-end apartment with one or two bedrooms, in Vietnam.

Though Vietnam's real estate developers are providing home buyers appealing offers in terms of price and customer care, many experts worry that Vietnam lacks premium property products to meet the increasing demand of Vietnamese expats with high incomes.

According to Savills Vietnam, safety and security and after-sale services are extra factors overseas Vietnamese and foreign customers take into account when purchasing a house, in addition to location, price, convenience, architecture and design.-

Source: *VNA - Bridge*