

**THE NATIONAL  
ASSEMBLY****THE SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness****No. 65/2014/QH13****HOUSING LAW<sup>(\*)</sup>**

*Pursuant to the Constitution of the Socialist Republic of Vietnam;  
The National Assembly promulgates the Housing Law.*

**Chapter I****GENERAL PROVISIONS****Article 1.** Scope of regulation

This Law prescribes house ownership, development, management and use; house transactions; and state management of housing in Vietnam. Transactions of purchase, sale, lease or lease-purchase of commercial houses of real estate businesses and cooperatives must comply with the law on real estate business.

**Article 2.** Subjects of application

This Law applies to organizations, households and individuals involved in house ownership, development, management, use and transactions, and state management of housing in Vietnam.

**Article 3.** Interpretation of terms

In this Law, the terms and expressions below are construed as follows:

1. House means a construction work used for the residential purpose and to serve daily-life needs of a household or individuals.
2. Individual house means a house constructed on a separate land parcel under the lawful use rights of an organization, a household or an individual. Individual houses include villas, semi-detached houses and detached houses.
3. Condominium means a building with two or more stories and many apartments and having common passageways and stairways, sections under private ownership and sections under common ownership and a system of infrastructure facilities for common use by households, individuals and organizations. Condominiums include those constructed for the residential purpose and those constructed for combined residential and commercial purposes.
4. Commercial house means a house constructed for sale, lease or lease-purchase under the market mechanism.
5. Official-duty house means a house used for lease to a person who is eligible to live in an official-duty house as prescribed in this Law during the time he/she holds a position or performs a work assignment.
6. House for resettlement means a house to be allocated to a household or an individual that is subject to resettlement upon recovery of its/his/her residential land or demolition of its/his/her house by the State in accordance with law.

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7. Social house means a house constructed with the State's support for a person who is entitled to the housing support policy prescribed in this Law.

8. Housing investment project means a collection of proposals related to the use of capital for the construction of new houses and technical and social infrastructure facilities to meet residential needs or for the renovation or repair of houses in a certain location.

9. Housing development means investment in the construction of new houses or reconstruction or renovation of ready-built houses to increase their floor areas.

10. House renovation means the upgrading of the quality, expansion of the floor area or adjustment of the floor area structure of a ready-built house.

11. House maintenance means the regular repair and upkeeping of a house and repair upon a damage or breakdown in order to maintain its quality.

12. House owner means an organization, a household or an individual that acquires a lawful house through construction, purchase, lease-purchase, receipt as donation, inheritance, receipt as capital contribution, exchange of houses or another form prescribed in this Law and relevant laws.

13. Condominium owner means an owner of an apartment or another floor area in a condominium.

14. Domestic organizations include state agencies, people's armed forces units, public non-business units, political organizations, socio-political organizations, socio-politico-professional organizations, social organizations, socio-professional organizations, economic organizations and other organizations defined by the civil law (below collectively referred to as organizations).

15. Sections under private ownership in a condominium means floor areas inside apartments or within other floor areas in a condominium which are recognized as under the private ownership of condominium owners and equipment for private use by condominium owners inside their apartments or within other floor areas in accordance with this Law.

16. Sections under common ownership of a condominium means floor areas of a condominium other than those under the private ownership of condominium owners and equipment for common use for the condominium in accordance with this Law.

17. Lease-purchase of a house means that a lessee pays in advance to a lessor 20% of the value of the house put for lease-purchase, unless the lessee is able to pay in advance up to 50% of such value. The remaining amount shall be paid on a monthly basis as rental to the lessor within a given time limit. Upon the expiration of the lease-purchase term and full payment of the remaining amount, the lessee has the right to own such house.

18. Ready-built house means a house which has been completely built and put into use.

19. Future house means a house which is under construction and has not yet been tested for acceptance and use.

**Article 4.** The right to have a residence and the right to own houses

Households and individuals have the right to have a residence through construction, purchase, lease, lease-purchase, receipt as donation, inheritance, receipt as capital contribution, exchange, borrowing, permitted stay at, or authorized management, of houses and other forms prescribed by law. Organizations, households and individuals that acquire lawful houses through the forms prescribed in Clause 2, Article 8 of this Law have the right to own such houses in accordance with this Law.

**Article 5.** Protection of house ownership

1. The State shall recognize and protect the lawful house ownership of house owners in accordance with this Law.

2. Houses under the lawful ownership of organizations, households and individuals may not be nationalized. In case of extreme necessity for national defense or security purposes, socio-economic development in the national or public interest, or during a state of war or a state of emergency, or in response to a natural disaster, the State shall decide on compulsory purchase, requisition, prior purchase or demolition of houses under lawful ownership of organizations, households and individuals and for which the State shall pay compensations, provide support and implement the resettlement policy for the house owners in accordance with law.

**Article 6.** Prohibited acts

1. Infringing upon the house ownership of the State, organizations, households and individuals.

2. Obstructing the performance of the responsibility for state management of houses, the exercise of the rights and performance of the obligations of organizations, households and individuals to own, use and transact houses.

3. Deciding on investment policy for projects or approving investment projects on house construction not in line with approved house construction master plans, housing development programs or plans.

4. Constructing houses on non-residential land; constructing houses not in conformity with design and floor area standards prescribed by the State for each type of house. Improperly applying methods of calculating house use areas prescribed by law in house purchase and sale or lease-purchase contracts.

5. Illegally appropriating house floor areas; encroaching in any form upon space and sections under the common ownership or of other owners; changing without permission the force-bearing structure or the design of the sections under the private ownership in a condominium.

6. Using areas, facilities and equipment under the common ownership and use rights for personal purposes; using for improper purposes areas under the common ownership or areas for provision of services in multi-purpose condominiums against decisions on investment policy on housing projects and approved project contents, unless the use purpose change is permitted by a competent state agency.

7. Using for improper purposes capital raised or house purchase payments paid in advance for housing development.

8. Housing project investors authorizing or assigning parties to investment cooperation, joint ventures, partnerships or business cooperation, capital contributors or other organizations and individuals to sign house lease, lease-purchase, purchase and sale contracts, contracts on down payment for house transactions or trading in land use rights in their projects.

9. Conducting house purchase and sale transactions, transferring house purchase and sale, lease or lease-purchase contracts, donating, exchanging, bequeathing, mortgaging, contributing as capital, lending, permitting stay at, or authorizing management of, houses in contravention of this Law.

10. Renovating, building extensions to or dismantling houses which are leased, under lease-purchase, borrowed, permitted for stay, or managed under authorization without consent of their owners.

11. Using condominium apartments for non-residential purposes; using areas reserved for business purposes in condominiums under approved projects for trading in flammable or explosive materials, provision of polluting or noisy services or for other activities affecting the daily life of households and individuals living in such condominiums under the Government's regulations.

12. Using individual houses for trading in flammable or explosive materials, provision of polluting or noisy services or services affecting social order and safety and daily life in residential quarters in contravention of legal provisions on business conditions.

13. Reporting or providing inaccurate or untruthful information on houses or information not as prescribed or requested by competent state agencies; destroying or falsifying information in the house databases managed by competent state agencies.

## Chapter II

### HOUSE OWNERSHIP

**Article 7.** Subjects entitled to own houses in Vietnam

1. Domestic organizations, households and individuals.
2. Overseas Vietnamese.
3. Foreign organizations and individuals defined in Clause 1, Article 159 of this Law.

**Article 8.** Conditions for having house ownership recognized

1. Being domestic organizations, households or individuals; having permission for entry in Vietnam, for overseas Vietnamese; or fully meeting the conditions prescribed in Article 160 of this Law, for foreign organizations or individuals.

2. Acquiring lawful houses in the following forms:

a/ For domestic organizations, households and individuals: Construction, purchase, lease-purchase or receipt as donation, inheritance, receipt as capital contribution or exchange of houses or other forms prescribed by law;

b/ For overseas Vietnamese: Purchase or lease-purchase of commercial houses of real estate businesses or cooperatives (below collectively referred to as real estate businesses); purchase or receipt as donation, exchange or inheritance of houses of households or individuals; receipt of transferred residential land use rights under commercial housing investment projects permitted to sell foundation grounds for house self-construction in accordance with law;

c/ For foreign organizations and individuals: The forms prescribed in Clause 2, Article 159 of this Law.

**Article 9.** Recognition of house ownership

1. Organizations, households and individuals that fully meet the conditions and acquire lawful houses as prescribed in Article 8 of this Law shall be granted by competent state agencies certificates of land use rights and ownership of houses and other land-attached assets (below referred to as certificates) for such houses. Houses eligible for grant of certificates must be ready-built ones.

2. The order and procedures for grant of certificates to house owners must comply with the land law.

In case of definite-term house ownership prescribed in Clause 1, Article 123 of this Law, the house purchaser shall be granted a certificate with the house ownership term. Upon the expiration of the house ownership term as agreed upon, the house ownership shall be returned to the original owner. The grant of a certificate to the house purchaser and

handling of such certificate upon the expiration of the house ownership term must comply with regulations of the Government.

3. The agency competent to grant certificates shall clearly state house types and grades in the certificates in accordance with this Law and the construction law. For condominium apartments, it shall also state construction floor areas and apartment use areas. For houses constructed under projects, it shall state names of housing projects approved by competent agencies.

4. For houses constructed under a project for lease-purchase or sale, certificates shall be granted to the lessees or purchasers rather than the project owner, unless the project owner needs to be granted certificates for houses not yet put for lease-purchase or sale. A project owner that constructs houses for lease shall be granted certificates for such houses.

5. For a house of a household or an individual which has two or more stories each having two or more apartments fully meeting the conditions prescribed in Clause 2, Article 46 of this Law, each apartment may be granted a certificate.

**Article 10.** Rights of house owners and house users

1. The house owner that is a domestic organization, household or individual or an overseas Vietnamese has the following rights:

- a/ The right to inviolability of houses under its/his/her lawful ownership;
  - b/ To use houses for the residential purpose and other purposes not banned by law;
  - c/ To be granted certificates for houses under its/his/her lawful ownership in accordance with this Law and the land law;
  - d/ To sell, transfer purchase and sale contracts, lease, put for lease-purchase, donate, exchange, bequeath, mortgage, contribute as capital, lend, permit stay at, or authorize management of, its/his/her houses. In case of donation or bequeathal of houses to subjects ineligible to own houses in Vietnam, such subjects are only entitled to the value of such houses;
  - dd/ To use public-utility facilities in the housing area in accordance with this Law and relevant laws.
- Condominium owners have the right to commonly own and use sections under the common ownership and infrastructure facilities for common use of their condominiums, except works constructed for commercial purposes or handover to the State in accordance with law or under house purchase and sale or lease-purchase contracts;
- e/ To maintain, renovate, demolish or reconstruct houses in accordance with this Law and the construction law;
  - g/ To receive compensations as prescribed by law for demolition, compulsory purchase or requisition by the State or receive payments made by the State at market prices for prior purchase of houses under its/his/her lawful ownership for use for national defense or security purposes, socio-economic development in the national or public interest or in a state of war or a state of emergency or in response to a natural disaster;
  - h/ To file complaints, denunciations or lawsuits against infringements upon its/his/her lawful ownership and other violations of the housing law.

2. A house owner with definite-term house ownership prescribed in Clause 1, Article 123 of this Law may, in the house ownership term, exercise the rights prescribed in Clause 1 of this Article, unless otherwise agreed by related parties. Upon the expiration of the house ownership term as agreed upon, the owner that is managing and using a house shall return the house to the original owner.

3. A house owner that is a foreign organization or individual has the rights prescribed in Article 161 of this Law.

4. A house user other than the house owner may exercise the rights in managing and using the house as agreed with the house owner.

**Article 11.** Obligations of house owners and house users

1. A house owner that is a domestic organization, household or individual or an overseas Vietnamese has the following obligations:

a/ To use houses for proper purposes; to make and keep dossiers of houses under its/his/her ownership;

b/ To conduct fire prevention and fighting and ensure environmental sanitation and social order and safety in accordance with law;

c/ To fully comply with law when selling, transferring contracts on purchase and sale, lease or lease-purchase of, donating, exchanging, bequeathing, mortgaging, contributing as capital, lending, permitting stay at, or authorizing management of, its/his/her houses. Any transaction on a house which is a common property of husband and wife must also comply with the Law on Marriage and Family;

d/ To strictly comply with law and refrain from affecting or causing damage to the State's or public interests and lawful rights and interests of other organizations, households and individuals when maintaining, renovating, dismantling or reconstructing its/his/her houses. For those with definite-term house ownership prescribed in Clause 1, Article 123 of this Law, the house renovation or demolition shall be agreed upon by related parties;

dd/ To pay fire and explosion insurance premiums for houses subject to compulsory fire and explosion insurance in accordance with the law on fire prevention and fighting and the law on insurance business;

e/ To abide by legally effective decisions of competent state agencies on handling of violations, settlement of housing-related disputes, complaints or denunciations, compensation, support, resettlement and demolition of houses upon land recovery or house clearance, compulsory purchase, requisition or prior purchase by the State;

g/ To allow related parties and competent persons to inspect, supervise and maintain the systems of equipment and technical infrastructure facilities and areas under the common ownership or for common use;

h/ To perform the financial obligation toward the State when having its/his/her house ownership recognized, conducting house transactions and in the course of using its/his/her houses in accordance with law.

2. In addition to the obligations prescribed in Clause 1 of this Article, a house owner that is a foreign organization or individual shall also perform the obligations prescribed in Clause 2, Article 162 of this Law.

3. A house user that is not the house owner shall perform the obligations in the management and use of houses as agreed with the house owner and as prescribed by this Law.

**Article 12.** Time of house ownership transfer

1. For cases of house purchase and sale not prescribed in Clause 3 of this Article or the case of house lease-purchase, the time of house ownership transfer is when the purchaser or lessee makes full payment for the purchase or lease-purchase and takes over the house, unless otherwise agreed by the parties.

2. For contribution as capital, donation or exchange of a house, the time of house ownership transfer is when the party receiving the capital contribution, donated or exchanged house takes over the house from the capital contributor, house donor or exchanger.

3. For house purchase and sale between a housing project owner and a purchaser, the time of house ownership transfer is when the purchaser takes over the house or makes full payment for the house to the project owner. For a commercial house purchased from a real estate business, the time of house ownership transfer must comply with the law on real estate business.

4. For house inheritance, the time of house ownership transfer must comply with the law on inheritance.

5. House transactions prescribed in Clauses 1, 2 and 3 of this Article must meet the house trading conditions and shall be conducted under valid contracts in accordance with this Law.

### Chapter III HOUSING DEVELOPMENT

#### Section 1 GENERAL PROVISIONS ON HOUSING DEVELOPMENT

##### **Article 13.** Housing development policies

1. The State shall create residential land areas through approving land use master plans and plans, urban master plans, master plans on special functional zones and master plans on rural construction.

2. The State shall promulgate mechanisms and policies on planning, land, finance, credit, research and application of science and technology, and new building materials for the renovation or reconstruction of condominiums which are severely damaged and in danger of collapse and become unsafe for users, and encourage organizations, households and individuals to participate in the development of houses for lease, lease-purchase or sale under the market mechanism.

3. The State shall promulgate mechanisms and policies on tax, land use levy and rental exemption and reduction, provision of long-term loans at preferential interest rates, other financial incentives and budgetary support for implementation of social housing support policies.

4. The State shall adopt policies on research and introduction of model and typical designs for each type of house suitable to each area or region; and adopt policies to promote the development of energy-efficient housing.

5. People's Committees of provinces and centrally run cities (below collectively referred to as provincial-level People's Committees) and owners of commercial housing projects shall reserve residential land areas for construction of social houses in accordance with the housing law.

##### **Article 14.** Requirements on housing development

1. To meet housing needs of different subjects and suit the socio-economic conditions of the country, each locality or region in each period.

2. To conform to the national housing development strategy, construction master plans and land use master plans and be included in local housing programs and plans in each period.

3. To comply with the housing law; to conform to construction standards, regulations and quality; to satisfy fire and explosion prevention and combat requirements; to ensure architecture, landscape, sanitation, environmental protection and safety in the course of construction and enable response to natural disasters and climate change; to conserve energy and land resources.

4. In urban areas, housing development must conform to construction detailed plans and be mainly implemented under projects. Housing investment projects must meet the requirements prescribed in Clauses 1, 2 and 3 of this Article, ensuring the population distribution and urban embellishment. In special-grade, grade-1 and grade-2 urban centers, to develop mostly condominiums and houses for lease.

5. In rural, mountainous, border areas and islands, housing development must conform to master plans on rural residential areas, programs on building of a new countryside, customs and traditions of each ethnicity, and natural conditions of each region; to step by step put an end to the nomadic cultivation and living, and ensure sustainable rural development; to encourage housing development under projects and construction of multi-storied houses.

**Article 15.** Local housing development programs and plans

1. Based on the approved national housing development strategy, socio-economic development master plans, land use master plans, urban master plans, master plans on special functional zones and local rural construction master plans, provincial-level People's Committees shall develop local housing development programs covering both urban centers and rural areas for each five-year, ten-year or longer period, and submit them to People's Councils of the same level for adoption before approval under Article 169 of this Law.

2. Based on local housing development programs approved under Clause 1 of this Article, provincial-level People's Committees shall formulate and approve annual and five-year housing development plans for their localities, including plans on development of commercial houses, social houses, official-duty houses, houses for resettlement, and houses of households and individuals, clearly planning the development of social houses for lease.

**Article 16.** Identification of land areas for housing development

1. When formulating and approving urban master plans, rural construction master plans, master plans on economic zones, industrial parks, export processing zones and hi-tech parks (below collectively referred to as industrial parks); master plans on construction of tertiary education institutions and vocational schools, except scientific research institutes and public boarding schools for ethnic minority people in their localities (below collectively referred to as research and training zones), agencies competent to approve master plans shall clearly state land areas for house construction in such master plans.

2. In special-grade, grade-1, grade-2 and grade-3 urban centers, owners of commercial housing projects shall reserve part of residential land areas in their projects in which a technical infrastructure system has been built for construction of social houses under the Government's regulations. For remaining urban centers, provincial-level People's Committees shall, based on specific local conditions, request project owners to reserve part of residential land areas in their projects in which a technical infrastructure system has been built for construction of social houses.

**Article 17.** Forms of housing development and housing investment projects

1. Forms of housing development include:

- a/ Housing development under projects;
- b/ Development of houses of households and individuals.



2. Housing investment projects prescribed in this Law include:

- a/ Investment projects on construction or renovation of independent houses or housing clusters;
- b/ Investment projects on construction of rural housing quarters with complete technical and social infrastructure systems;
- c/ Investment projects on construction of urban centers or projects using multiple- purpose land which reserve certain land areas for house construction;
- d/ Investment projects on construction of works for combined residential and commercial purposes.

**Article 18.** Cases of housing development and cases of construction of houses under projects

1. Cases of housing development include:

- a/ Development of commercial houses;
- b/ Development of social houses;
- c/ Development of official-duty houses;
- d/ Development of houses for resettlement;
- dd/ Development of houses of households and individuals.

2. Cases of development of houses under projects include:

- a/ Development of houses for lease, lease-purchase or sale by real estate businesses;
- b/ Renovation or reconstruction of condominiums and old housing quarters;
- c/ Development of houses for resettlement;
- d/ Development of houses under state ownership.

**Article 19.** Requirements on housing investment projects

1. Housing investment projects prescribed in Clause 2, Article 17 of this Law shall be implemented in accordance with this Law.

2. Housing investment projects may only be formulated, approved and implemented in areas with approved detailed plans, and must comply with contents of investment policy decisions of competent state agencies and meet the requirements prescribed in Article 14 of this Law.

3. Housing investment projects and zones therein must have Vietnamese names. In case owners of commercial housing investment projects need to give foreign- language names to their projects, they shall write full Vietnamese names of these projects before foreign names. The names of projects and zones therein shall be decided by competent agencies and used throughout the course of construction investment and post-construction management and use of the projects.

4. Housing project owners shall fully implement approved contents of their projects. In case owners request adjustment of projects names and implementation schedules, types of house to be constructed, total construction floor areas, total number of houses, proportions of types of house and total investment, for projects invested with state capital, they shall obtain decisions of competent agencies defined in Article 170 of this Law before starting the construction.

5. Provincial-level People's Committees shall draw up lists of housing investment projects in their localities, including projects on construction of commercial houses, social houses, official-duty houses and houses for resettlement, and publicize them on their e-portals according to the following provisions:

a/ Number of projects; total number of houses and total housing floor areas to be annually constructed under housing investment projects in their localities;

b/ Basic contents of each housing investment project in their localities, including project name, construction location, size, detailed plan, implementation schedule, investment objectives, number of houses, total housing floor area, forms of house trading and other relevant contents in accordance with the law on real estate business;

c/ Information on projects prescribed at Points a and b of this Clause shall be publicized throughout the course of project implementation.

**Article 20.** House architecture principles

1. House architecture must conform to natural conditions, natural disaster prevention and control, scientific and technical level, historical and cultural traditions and construction detailed plans approved by competent state agencies.

2. In urban centers, house architecture must harmonize renovation with new construction, and individual houses with overall urban architecture, and conform to urban designs and regulations on urban architecture planning management.

3. In rural areas, house architecture must be in harmony with natural landscape and suitable to customs, traditions and production or business conditions of households, individuals and ethnicities in each area or region.

Section 2

DEVELOPMENT OF COMMERCIAL HOUSES UNDER PROJECTS

**Article 21.** Conditions on owners of commercial housing projects

1. Being businesses or cooperatives established and operating in accordance with Vietnamese law.

2. Having legal capital as prescribed by the real estate business law and depositing a certain capital amount for implementation of each project as prescribed by the investment law.

3. Having the function of real estate business as prescribed by law.

**Article 22.** Commercial housing investment projects and selection of project owners

1. Commercial housing investment projects shall be formulated, appraised, approved and implemented in accordance with this Law and the construction law.

2. The selection of owners for commercial housing investment projects shall be conducted in the following forms:

a/ Auction of land use rights in accordance with the land law;

b/ Bidding for land-using projects;

c/ Appointment of project owners that fully meet the conditions prescribed in Article 21 of this Law, and have lawful land use rights prescribed in Clauses 1 and 4, Article 23 of this Law.

3. The selection of owners for commercial housing investment projects shall be reported by provincial-level housing management agencies to provincial-level People's Committees for decision. For large-sized projects or projects related to many provinces and centrally run cities as stipulated by the Government, the selection shall be reported to competent agencies defined in Clause 2, Article 170 of this Law for decision before implementation.

**Article 23.** Forms of land use for implementation of commercial housing investment projects

1. Use of residential land areas under lawful use rights for construction of commercial houses.
2. Allocation of land by the State for construction of houses for lease, lease-purchase or sale.
3. Lease of land by the State for construction of houses for lease.
4. Acquisition of transferred residential land use rights in accordance with the land law for construction of commercial houses.

**Article 24.** Types and area standards of commercial houses

1. Types and area standard of each type of commercial houses may be chosen by project owners but must conform to construction detailed plans, construction standards and regulations, house architecture and contents of competent agencies' investment policy decisions regarding housing projects.

2. Condominium apartments shall be designed and constructed as self-contained apartments having floor areas conformable with construction standards and regulations.

3. Individual houses shall be constructed according to approved construction detailed plans and designs in conformity with construction standards and regulations.

**Article 25.** Rights of owners of commercial housing projects

1. To request related agencies and organizations to carry out procedures in accordance with law in the course of formulation, appraisal, approval and implementation of their projects.

2. To lease, put for lease-purchase or sell houses; to raise capital or collect rentals or payments for lease-purchase or sale of houses in accordance with this Law, the real estate business law and signed contracts.

3. To exercise the rights of land users and trade in products of their projects in accordance with the land law and real estate business law.

4. To transfer part or the whole of their projects in accordance with the real estate business law.

5. To manage and operate technical infrastructure systems within their projects under project investment policy decisions of competent state agencies.

6. To request competent state agencies to grant certificates for houses constructed under their projects in accordance with Article 9 of this Law and the land law.

7. To enjoy the State's preferential policies in the implementation of their projects in accordance with law.

8. To exercise other rights prescribed in this Law and relevant laws.

**Article 26.** Responsibilities of owners of commercial housing projects

1. To formulate, appraise, approve and implement their projects in accordance with this Law and the construction law.

2. To make deposits for project implementation in accordance with the investment law; to pay guarantee money for house transactions in accordance with the real estate business law; to ensure the financial capacity for project implementation as prescribed by law.

3. To construct houses and technical and social infrastructure facilities in their projects strictly according to detailed plans and project investment policy decisions of competent agencies and to approved designs, housing area standards and implementation schedules of the projects.

4. To reserve residential land areas where technical infrastructure facilities have been constructed within their projects for construction of social houses in accordance with the housing law.

5. To publicize on their websites and display at the offices of their project management units information prescribed at Point b, Clause 5, Article 19 of this Law; to report on the project implementation and implementation results on a periodical basis and upon project completion in accordance with the housing law and real estate business law.

6. To fulfill their commitments in project product trading contracts, hand over transacted houses and title documents thereof to customers; to conduct house purchase and sale, lease, lease-purchase and trade in land use rights in accordance with the real estate business law.

7. Within 50 days from the date of handover of houses to purchasers or from the time when lessees make full payments as agreed upon, to request competent state agencies to grant certificates to house purchasers or lessees, unless the latter voluntarily carry out the procedures to apply for certificates. In case of construction of houses for lease, to make and keep house dossiers under Articles 76 and 77 of this Law.

8. To conduct house warranty in accordance with this Law and the construction law; to perform the financial obligations toward to the State in accordance with law.

9. To abide by legally effective handling decisions of competent agencies when committing illegal acts in the housing development, capital raising, advance payment by customers, performance of house transactions and other activities prescribed in this Article.

10. To pay compensations if causing damage to customers or to organizations, individuals or households investing in the construction of houses.

### Section 3

#### DEVELOPMENT OF OFFICIAL-DUTY HOUSES

##### **Article 27.** Official-duty houses and plans on development of official-duty houses

1. The State shall invest capital from its budget, including the central budget and local budgets, to build official-duty houses or to purchase or rent commercial houses for use as official-duty houses. Official-duty houses include central official-duty houses and local official-duty houses.

2. The investment in the construction of official-duty houses or purchase or rent of commercial houses for use as official-duty houses shall be based on official-duty house development plans prescribed in Clause 3 of this Article, ensuring safe working conditions and convenient daily life and travel for official-duty house users.

3. Official-duty house development plans shall be made and approved as follows:

a/ Central agencies shall identify and propose their official-duty house demands to the Ministry of Construction for appraisal and make and submit their official-duty house development plans to the Prime Minister for approval, except the case prescribed at Point b of this Clause;

b/ The Ministry of National Defense and Ministry of Public Security shall identify their official-duty house demands and make and submit, after reaching agreement with the Ministry of Construction, plans on development of official-duty houses for persons prescribed at Point d, Clause 1, Article 32 of this Law to the Prime Minister for approval;

c/ Provincial-level People's Committees shall make and approve official-duty house development plans as part of their local house development plans under Article 15 of this Law;

d/ Planning agencies prescribed at Points a, b and c of this Clause shall clearly identify official-duty house demands, covering types, number and floor area of houses; construction sites and land areas for house construction, or commercial housing areas which need to be purchased or rented for use as official-duty houses; funding sources and annual and five-year investment phases; and responsibilities of related agencies.

4. The Government shall stipulate in detail the investment in the construction of, purchase or rent of commercial houses for use as, official-duty houses, eligible subjects and conditions for rent of official-duty houses, and the management and use of official-duty houses.

**Article 28.** Official-duty housing investment projects and selection of project owners

1. Official-duty housing investment projects, covering construction of new official-duty houses and purchase of commercial houses, shall be formulated, appraised, approved and implemented in accordance with this Law and the construction law.

2. Official-duty housing investment projects must be of the following types:

a/ Projects in which investment is decided by the Prime Minister at the proposal of the Ministry of Construction for lease to staffs of central agencies, except the case prescribed at Point b of this Clause;

b/ Projects in which investment is decided by the Ministry of National Defense or Ministry of Public Security after reaching agreement with the Ministry of Construction and which are approved by the Prime Minister to be leased to persons prescribed at Point d, Clause 1, Article 32 of this Law;

c/ Projects in which investment is decided by provincial-level People's Committees at the proposal of provincial-level housing management agencies for persons who are assigned or rotated to work in their localities.

For persons who are assigned or rotated to work in urban districts, rural districts, towns, provincial cities or the equivalent (below collectively referred to as districts), persons prescribed at Points c, dd, e and g, Clause 1, Article 32 of this Law, provincial-level People's Committees shall decide or authorize district-level People's Committees to decide on project investment.

3. The selection of owners of official-duty housing projects is prescribed as follows:

a/ The Prime Minister shall decide on the selection of owners for projects prescribed at Point a, Clause 2 of this Article at the proposal of the Ministry of Construction;

b/ The Minister of National Defense and the Minister of Public Security shall decide on the selection of owners for projects prescribed at Point b, Clause 2 of this Article;

c/ Provincial-level People's Committees shall decide on the selection of owners for projects prescribed at Point c, Clause 2 of this Article at the proposal of provincial-level housing management agencies.

**Article 29.** Land for construction of official-duty houses

1. Land areas for construction of official-duty houses shall be specified in construction master plans approved by competent state agencies prescribed in Clause 1, Article 16 of this Law.

2. For official-duty houses of central agencies, the Ministry of Construction shall assume the prime responsibility for, and coordinate with provincial-level People's Committees in, determining local land areas for their construction, except the case prescribed in Clause 3 of this Article. Provincial-level People's Committees shall allocate land areas for official-duty house construction at the request of the Ministry of Construction.

3. For official-duty houses for persons prescribed at Point d, Clause 1, Article 32 of this Law, the Ministry of National Defense or the Ministry of Public Security shall assume the prime responsibility for, and coordinate with provincial-level People's Committees in, determining land areas for their construction.

4. For local official-duty houses, provincial-level People's Committees shall allocate land areas for their construction when making and approving master plans prescribed in Clause 1, Article 16 of this Law.

5. The State shall not collect land use levy for land areas used for construction of official-duty houses prescribed in this Article.

**Article 30.** Purchase or rent of commercial houses for use as official-duty houses

1. For localities with commercial houses constructed under projects whose types and areas are conformable with those prescribed in Article 31 of this Law, competent agencies prescribed in Clause 2, Article 28 of this Law may decide to purchase or rent such houses for use as official-duty houses.

2. The purchase of commercial houses for use as official-duty houses shall be presented in a project to be approved by competent agencies prescribed in Clause 2, Article 28 of this Law.

3. Purchase prices of commercial houses for use as official-duty houses shall be decided by investment deciders on the basis of reference to market house purchase and sale prices and results of price appraisal by licensed price appraisal units at the time of house purchase.

4. When official-duty houses are not enough for lease, competent agencies prescribed in Clause 2, Article 28 of this Law shall decide on rent of commercial houses for use as official-duty houses.

5. The central budget shall allocate funds for purchase or rent of commercial houses for use as official-duty houses for staffs of central agencies, including also houses of the Ministry of National Defense and the Ministry of Public Security. Local budgets shall allocate funds for purchase or rent of commercial houses for use as official-duty houses for staffs of local agencies.

**Article 31.** Types and area standards of official-duty houses

1. Official-duty houses include individual houses and condominium apartments with different area standards suitable to different types of persons eligible for rent of official-duty houses.

2. Area standards of official-duty houses shall be prescribed by the Prime Minister and adjusted as appropriate in each period at the proposal of the Ministry of Construction.

**Article 32.** Persons eligible and conditions for rent of official-duty houses

1. Persons eligible to rent official-duty houses include:

a/ Leaders of the Party and the State who are entitled to official-duty houses while they hold office;

b/ Cadres and civil servants of agencies of the Party, the State and socio-political organizations who are other than those prescribed at Point a of this Clause and transferred or rotated to work in central agencies and hold the position of deputy minister or equivalent or higher position; or transferred or rotated to work in localities and hold the position of district-level People's Committee chairperson, provincial-level Department director or equivalent or higher position;

c/ Cadres and civil servants of agencies of the Party, the State and socio-political organizations who are other than those prescribed at Point b of this Clause and transferred or rotated to work in communes in deep-lying or remote areas, areas with particularly difficult socio-economic conditions, border areas or islands;

d/ Officers and career army men in people's armed forces who are transferred or rotated to meet national defense or security requirements, except those who are required by law to live in armed forces' barracks;

dd/ Teachers who work in rural areas or communes in deep-lying or remote areas, areas with particularly difficult socio-economic conditions, border areas or islands;

e/ Doctors and health workers who work in rural areas or communes in deep-lying or remote areas, areas with particularly difficult socio-economic conditions, border areas or islands;

g/ Scientists who are assigned to manage particularly important national scientific and technological tasks prescribed in the Science and Technology Law.

2. Conditions for rent of official-duty houses are prescribed as follows:

a/ For persons prescribed at Point a, Clause 1 of this Article, official-duty houses shall be allocated to meet security requirements;

b/ Persons prescribed at Points b, c, d, dd, e and g, Clause 1 of this Article may rent official-duty houses if they own no houses or have not yet purchased, rented or rent-purchased social houses in localities where they work or own houses in localities where they work which have a housing area per household member lower than the minimum housing area prescribed by the Government for each period and each region.

**Article 33.** Principles of determination of official-duty house rental rates

1. Necessary expenses for the operation, maintenance and lease management in the course of use of official-duty houses shall be accurately and fully accounted.

2. Land use levy for land areas for and depreciation costs of investment in the construction of official-duty houses or payments for purchase of commercial houses for use as official-duty houses shall be excluded.

3. Official-duty house rental rates shall be decided by competent agencies prescribed in Clause 2, Article 81 of this Law and considered and adjusted as appropriate in each period.

4. In case of renting commercial houses for use as official-duty houses, lessees shall pay rentals at rates lower than commercial house rental rates according to regulations of the Government.

**Article 34.** Rights and obligations of official-duty house lessees

1. The lessee of an official-duty house has the following rights:

a/ To take over the house and its fixtures and equipment as agreed upon in the rent contract;

b/ To use the house for himself/herself and his/her family members during his/her term of office;

c/ To request the house management and operation unit to promptly repair damage not caused by his/her fault;

d/ To renew the rent contract upon the expiration of the rent term if he/she remains eligible and still fully meets the conditions for renting official-duty houses prescribed by this Law;

dd/ To exercise other housing rights as prescribed by law and agreed upon in the rent contract.

2. The lessee of an official-duty house has the following obligations:

a/ To use the house for the residential purpose and meeting his/her own and his/her family members' daily-life needs during the rent term;

b/ To preserve the house and attached assets; not to renovate, repair or demolish the house without permission. For official-duty houses being condominium apartments, to comply with regulations on management and use of condominiums;

c/ Not to sub-lease, lend or authorize others to manage the house;

d/ To pay rentals under the rent contract signed with the lessor and pay other expenses for other daily-life services as charged by service providers;

dd/ To return the house to the State when no longer eligible or having the need to rent it or committing violations subject to house recovery as prescribed by this Law within 90 days after receiving a notice from the official-duty house management agency;

e/ To abide by competent agencies' decisions on house recovery in case he/she are subject to house recovery;

g/ To perform other obligations as prescribed by law and agreed upon in rent contracts.

#### Section 4

#### DEVELOPMENT OF HOUSES FOR RESETTLEMENT

##### **Article 35.** Principles of development of houses for resettlement

1. In case of land recovery and house clearance for construction of other works in inner areas of special-grade, grade-1 or grade-2 urban centers, the State shall use commercial houses or social houses constructed under projects for resettlement prior to land recovery and house clearance, except the case prescribed in Clause 4, Article 36 of this Law.

2. In case of land recovery and house clearance for construction of other works in areas not prescribed in Clause 1 of this Article where commercial houses or social houses constructed under projects are available, the State shall arrange such houses for resettlement. If no commercial houses or social houses constructed under projects are available, the State shall invest in the construction of houses for resettlement prior to land recovery and house clearance, except the case prescribed in Clause 4, Article 36 of this Law.

3. In case of land recovery and house clearance for implementation of commercial housing investment projects, if people whose houses are cleared need to resettle on the spot, project owners shall prioritize arrangement of commercial houses in their projects for resettlement.

4. In case of land recovery and house clearance for implementation of industrial park infrastructure projects, if people whose houses are cleared have the resettlement need, project owners shall construct houses for resettlement in the area planned for construction of houses for industrial park workers or arrange houses in other areas for them.

5. Investment to construct houses for resettlement shall be carried out under projects. Investment projects on construction of houses for resettlement in rural areas must include arrangement of production land areas for resettled people.

6. Houses for resettlement must have adequate technical and social infrastructure systems according to approved construction detailed plans and design dossiers and comply with Article 14 of this Law.



**Article 36.** Forms of arrangement of houses for resettlement

1. Purchase of commercial houses constructed under projects for lease, lease-purchase or sale to resettled people.
2. Use of social houses constructed under projects for lease, lease-purchase or sale to resettled people.
3. The State directly constructs houses with its budget, national debentures, bonds, official development assistance, preferential loans of donors or its development investment credit capital, or constructs houses under build-transfer contracts on land areas already identified for construction of houses for resettlement under approved master plans for lease, lease-purchase or sale to resettled people.
4. Households and individuals receive money to purchase, rent or rent-purchase commercial houses in localities for their resettlement or are allocated land by the State for construction of houses under approved master plans.

**Article 37.** Land for construction of houses for resettlement

1. The arrangement of land areas for construction of houses for resettlement must adhere to the principles prescribed in Article 35 of this Law and the land law.
2. Land areas for construction of houses for resettlement shall be specifically stated in construction master plans approved by competent state agencies prescribed in Clause 1, Article 16 of this Law.

**Article 38.** Investment projects on construction of houses for resettlement and selection of project owners

1. Investment projects on construction of houses for resettlement shall be formulated, appraised, approved and implemented in accordance with this Law and the construction law.
2. Owners of investment projects on construction of houses for resettlement include specialized project management units attached to provincial-level People's Committees, provincial-level land fund development organizations and real estate businesses. The selection of owners for these projects must comply with Clauses 3 and 4 of this Article.
3. For projects on construction of houses for resettlement using funding sources or implemented in the forms prescribed in Clause 3, Article 36 of this Law, provincial-level housing management agencies shall report the selection of project owners to investment deciders for decision.
4. For projects on construction of houses for resettlement which are not prescribed in Clause 3, Article 36 of this Law, the competence to select project owners is prescribed as follows:
  - a/ In case of construction of houses for resettlement for national important projects, the Prime Minister shall decide or authorize the Minister of Construction to decide to select project owners;
  - b/ In case of construction of houses for resettlement for projects not prescribed at Point a of this Clause, provincial-level People's Committees shall decide to select project owners.

**Article 39.** Types and area standards of houses for resettlement

1. In urban centers, houses for resettlement must meet the following standards:
  - a/ Being condominium apartments or individual houses constructed in conformity with approved local construction detailed plans and housing development programs and plans;

b/ For condominium apartments, they shall be designed and constructed as self-contained apartments in conformity with construction standards and regulations. When designing houses for resettlement, project owners may arrange some area for business activities suitable to practical conditions of each project;

c/ For individual houses, they shall be constructed according to approved construction detailed plans and designs; must adhere to the house architecture principles prescribed in Article 20 of this Law and ensure the minimum residential land area prescribed by the land law.

2. In rural areas, houses for resettlement shall be designed and constructed to have residential areas and auxiliary facilities serving daily-life and production activities attached to these houses, adhering to the house architecture principles prescribed in Article 20 of this Law and ensure the minimum residential land area prescribed by the land law.

**Article 40.** Management of quality of houses for resettlement

1. Houses and works constructed under projects may be accepted only if meeting the design requirements and construction standards and regulations. Project owners may not change the designs and areas of houses and auxiliary facilities (if any) for resettlement after competent agencies have approved resettlement plans.

2. The arrangement of houses for resettled people may be conducted only after such houses have been tested for acceptance in accordance with the construction law.

3. The following organizations and individuals shall take responsibility for the quality of houses for resettlement:

a/ Owners of projects on construction of houses for resettlement;

b/ State agencies competent to sign build-transfer contracts for construction of houses for resettlement;

c/ Owners of projects on construction of commercial houses or social houses to be arranged for resettlement.

4. Provincial-level housing management agencies shall guide and inspect the management of the quality of houses for resettlement in their localities.

**Article 41.** Purchase of commercial houses and use of social houses for resettlement

1. For the purchase of commercial houses for resettlement, units assigned to arrange houses for resettlement shall sign with project owners purchase and sale contracts or contracts to place purchase orders for commercial houses for resettled people according to the following provisions:

a/ In case units assigned to arrange houses for resettlement sign house purchase and sale contracts with project owners, people to be resettled shall sign house purchase and sale, lease or lease-purchase contracts with these units;

b/ In case units assigned to arrange houses for resettlement sign contracts to place house purchase orders with project owners, people to be resettled shall directly sign house purchase and sale contracts with such project owners based on the agreed contents in the contracts to place house purchase orders;

c/ Owners of commercial housing projects shall carry out procedures to request competent state agencies to grant certificates to house purchasers or lessees prescribed at Points a and b of this Clause, unless the latter voluntarily carry out procedures to apply certificates.

2. Regarding the use of social houses for resettlement, people to be resettled shall rent, rent-purchase or purchase social houses in accordance with this Law.

3. The Government shall stipulate in detail the construction or purchase of commercial houses or use of social houses for resettlement, types and area standards of houses, eligible persons and conditions for arrangement of houses, the order and procedures for house handover, and management and use of houses for resettlement.

#### Section 5

#### DEVELOPMENT OF HOUSES OF HOUSEHOLDS AND INDIVIDUALS

**Article 42.** Requirements on development of houses of households and individuals in rural areas

1. To conform to master plans on construction of rural residential areas, be connected with technical infrastructure systems of housing areas, and ensure sanitation and environmental protection.

2. The construction of new houses or renovation of ready-built houses must preserve traditional house architectures and suit customs, traditions and production conditions of each area or region.

3. Households and individuals may only construct houses on their lawful residential land areas.

4. The construction of houses under projects must conform to approved construction detailed plans of such projects. For areas where construction permits and design dossiers are required, the construction of houses must conform to contents of construction permits and approved design dossiers.

5. In areas where artistic, cultural and historical values need to be preserved, provincial-level People's Committees shall consider and provide partial or full funding from their budgets for households and individuals to conserve, maintain or renovate houses.

**Article 43.** Requirements on development of houses of households and individuals in urban areas

1. Households and individuals must have lawful land use rights and houses and are allowed to renovate or reconstruct their houses in accordance with the construction law.

2. The construction of new houses or renovation of ready-built houses must conform to construction detailed plans and urban designs. Houses for which construction permits are required shall be constructed under construction permits.

3. The construction of houses must ensure connection with common technical infrastructure systems of local areas, satisfy sanitation, environmental protection and house architecture requirements, and exert no impact on adjacent works.

**Article 44.** Land for development of houses of households and individuals

1. Lawful residential land of households and individuals or land rented or borrowed from organizations or other households or individuals for construction of houses.

2. Residential land allocated by the State for construction of houses in accordance with the land law.

3. Residential land allocated by the State as compensation for recovered land in accordance with the land law.

**Article 45.** Methods of development of houses of households and individuals

1. Households and individuals in rural areas may construct houses by the following methods:

a/ Constructing houses on their own or hiring other organizations or individuals to construct houses or receiving assistance from other organizations and individuals for construction of houses;

b/ Cooperating with and assisting one another in constructing houses.

2. Households and individuals in urban areas may construct houses by the following methods:

a/ Constructing houses on their own or hiring other organizations or individuals to construct houses or receiving assistance from other organizations and individuals for construction of houses;

b/ Hiring units or individuals with construction capacity to construct houses, in cases where construction is required by the construction law to be carried out by such units or individuals;

c/ Cooperating with one another in renovating or embellishing urban works, including houses.

**Article 46.** Standards and quality of houses of households and individuals

1. Houses shall be constructed on land parcels which are large enough for construction of houses as prescribed by the land law.

2. Households and individuals in urban areas shall construct or renovate houses in accordance with the construction law and take responsibility for the quality of these houses.

In case they are permitted to construct houses with two or more stories each designed and constructed to have two or more self-contained apartments each meeting the minimum construction floor area standard according to construction regulations and standards, and with areas under private ownership and areas under the common ownership of condominiums as prescribed by this Law, their ownership of each individual apartment in such houses shall be recognized by the State.

3. Individual houses must have their use durations determined based on their grades and actual state.

Houses which are severely damaged and in danger of collapse and become unsafe for users shall be demolished under Section 4, Chapter VI of this Law.

**Article 47.** Responsibilities of households and individuals for development of houses

1. To strictly comply with the order and procedures for renovation or construction of houses prescribed by the construction law.

2. To comply with regulations on sanitation and environmental protection in the course of renovation or construction of houses.

3. To ensure safety for people and property of adjacent households during the construction or renovation of houses. If causing damage, to pay compensations in accordance with law.

4. To comply with the provisions of Chapter VIII of this Law if constructing houses for lease, lease-purchase or sale.

5. To perform other responsibilities as prescribed by law when renovating or constructing houses.

**Article 48.** Households and individuals cooperating with and helping one another in constructing houses and renovating and embellishing urban works

1. Households and individuals may cooperate with and help one another in constructing houses or renovating and embellishing urban works, including houses, with financial capacity, labor, materials and contributions of members of cooperation groups.

2. Members of cooperation groups shall agree on methods of contribution of capital, labor and materials, implementation schedule, their rights and obligations, and commit to fulfilling agreements of their cooperation groups.

Chapter IV  
POLICIES ON SOCIAL HOUSES

Section 1  
GENERAL PROVISIONS

**Article 49.** Subjects entitled to social housing support policies

If meeting the conditions prescribed in Article 51 of this Law, the following subjects are entitled to social housing support policies:

1. Persons with meritorious service to the revolution as defined by the law on preferential treatment toward persons with meritorious service to the revolution;
2. Poor households and households living just above the poverty line in rural areas;
3. Households in rural areas frequently hit by natural disasters or affected by climate change;
4. Low-income earners, poor households and households living just above the poverty line in urban areas;
5. Persons working in enterprises inside and outside industrial parks;
6. Officers and non-commissioned officers engaged in professional operations, non-commissioned officers engaged in technical operations, career army men, workers in agencies and units of the People's Public Security and People's Army;
7. Cadres, civil servants and public employees as defined by the law on cadres, civil servants and public employees;
8. Subjects that have returned official-duty houses as prescribed in Clause 5, Article 81 of this Law;
9. Students of academies, universities, colleges or vocational schools; and pupils of public boarding schools for ethnic minority people who may use houses during their studying periods;
10. Households and individuals that are subject to land recovery or house clearance or demolition as prescribed by law and have not yet received any compensations in houses or residential land from by the State.

**Article 50.** Forms of implementation of social housing support policies

1. Support in the form of lease, lease-purchase or sale of social houses to the subjects prescribed in Clauses 1, 4, 5, 6, 7, 8 and 10, Article 49 of this Law. For the subjects prescribed in Clause 9, Article 49 of this Law, only the form of lease of social houses may apply.
2. Support provided under target housing programs for the subjects prescribed in Clauses 1, 2 and 3, Article 49 of this Law to construct new houses or repair or renovate ready-built ones.
3. Support in the form of land allocation with land use levy exemption or reduction in accordance with the land law or donation of houses to the subjects prescribed in Clauses 1, 2 and 3, Article 49 of this Law.
4. Support in the form of the State's preferential loans through the Social Policy Bank or credit institutions designated by the State for the subjects prescribed in Clauses 1, 4, 5, 6 and 7, Article 49 of this Law to construct new houses or renovate or repair ready-built ones.

**Article 51.** Conditions for enjoying social housing support policies

1. The subjects prescribed in Clause 1, Article 50 of this Law must meet the following housing, residence and income conditions:

a/ Owning no houses, having not yet purchased, rented or rented-purchased social houses, having not yet enjoyed any residential housing or land support policies in any form in localities where they reside or study, or owning houses with the housing area per household member lower than the minimum housing area stipulated by the Government for each period and each region;

b/ Having permanent residence registration in provinces or centrally run cities where social houses are available. If having no permanent residence registration, they must have temporary residence registration of at least one year in such provinces or centrally run cities, except the case prescribed in Clause 9, Article 49 of this Law;

c/ Being not liable to regularly pay income tax in accordance with the law on personal income tax, for the subjects prescribed in Clauses 4, 5, 6 and 7, Article 49 of this Law; or being poor households or households living just above the poverty line according to regulations of the Prime Minister. The subjects prescribed in Clauses 1, 8, 9 and 10, Article 49 of this Law are not required to meet the income condition prescribed at this Point.

2. The subjects prescribed in Clauses 2 and 3, Article 50 of this Law must meet the conditions set in competent state agencies' decisions approving relevant target housing programs.

3. The subjects prescribed in Clause 4, Article 50 of this Law must meet the following housing and residence conditions:

a/ Having residential land but no houses or having damaged or dilapidated houses;

b/ Having permanent residence registration in localities where they have residential land or houses which need to be renovated or repaired.

**Article 52.** Principles of implementation of social housing support policies

1. The implementation of social housing support policies must adhere to the following principles:

a/ Coordination among the State, population communities, family clans and subjects entitled to support in the implementation of policies;

b/ Publicity, transparency, and strict inspection and supervision by competent state agencies and population communities;

c/ Provision of support to eligible subjects that fully meet the conditions prescribed in this Law;

d/ In case a subject is entitled to different support policies, he/she/it may only enjoy the most preferential support policy. Among the subjects that meet the same criteria and conditions, people with disabilities and women must be the first to enjoy support;

dd/ In case a household has members entitled to different support policies, the whole household is entitled to only one support policy.

2. Provincial-level People's Committees shall organize, examine and inspect the implementation of social housing support policies in their localities.

## Section 2

## POLICIES ON DEVELOPMENT AND MANAGEMENT OF SOCIAL HOUSES FOR LEASE, LEASE-PURCHASE OR SALE

**Article 53.** Forms of development of social houses

1. The State may construct social houses with its budget, national debentures, bonds, official development assistance, preferential loans of donors, its development investment loans or construct social houses under build-transfer contracts on land areas determined for construction of social houses under regulations for lease or lease-purchase.

2. Businesses and cooperatives may invest in the construction of social houses for lease, lease-purchase or sale, or purchase or rent houses for lease to their employees and enjoy the State's incentives prescribed in Clause 1, Article 58, and Article 59, of this Law.

3. Households and individuals may invest in the construction of social houses in their lawful residential land areas for lease, lease-purchase or sale and enjoy the State's incentives prescribed in Article 58 of this Law.

**Article 54.** Requirements on social housing investment projects

1. To meet the requirements prescribed in Article 19 of this Law. For the construction of social houses not yet included in approved housing development programs and plans, provincial-level People's Committees shall consult same-level People's Councils before deciding on investment policy on social housing projects.

2. Provincial-level People's Committees shall plan separate areas for investment projects on construction of social houses for lease.

3. Owners of social housing projects not located in separate areas planned for investment projects on construction of social houses for lease prescribed in Clause 2 of this Article shall reserve at least 20% of their projects' social housing areas for lease. Project owners are entitled to the preferential mechanism for construction of houses for lease prescribed in Clause 1, Article 58 of this Law for such the 20-percent social housing areas for lease and may sell such houses to current tenants under regulations on sale of social houses after 5 years of lease.

4. Social housing investment projects shall be managed and controlled by competent state agencies in terms of quality, area standards, rental rates, lease-purchase prices, sale prices and approval of subjects eligible for house lease, lease-purchase or purchase.

**Article 55.** Types and area standards of social houses

1. Being condominium apartments or individual houses constructed in conformity with construction detailed plans approved by competent state agencies.

2. For individual houses, they shall be designed and constructed according to construction standards and regulations and area standards of social houses.

3. For condominium apartments, they shall be designed and constructed as self-contained apartments in conformity with construction standards and regulations and area standards of social houses.

**Article 56.** Land for construction of social houses

1. When approving urban master plans, rural construction master plans, master plans on construction of industrial parks and research and training zones, People's Committees competent to approve such master plans shall clearly determine land areas for construction of social houses.

2. Land areas and information on areas and locations reserved for development of social houses shall be publicized on the e-portals of provincial-level People's Committees and housing management agencies.

3. Land for development of social houses includes:

- a/ Land allocated by the State for construction of houses for lease, lease-purchase or sale;
- b/ Land leased by the State for construction of houses for lease;
- c/ Residential land areas in commercial housing investment projects which shall be reserved by investors for construction of social houses under Clause 2, Article 16 of this Law;
- d/ Lawful residential land of organizations, households and individuals used for construction of social houses.

**Article 57.** Owners of social housing projects

1. For social houses constructed with the funding sources or in the form prescribed in Clause 1, Article 53 of this Law, the Ministry of Construction, if investments come from the central budget, or provincial-level housing management agencies, if investments come from local budgets, shall report to the selection of investors to persons with investment-deciding competence for decision.

2. For social houses not constructed with the funding sources or in the form prescribed in Clause 1, Article 53 of this Law, provincial-level housing management agencies shall report to the selection of investors to provincial-level People's Committees as follows:

a/ In case the State allocates or leases land for construction of social houses, owners shall be selected through bidding, if two or more investors register to be the project owners, or shall be appointed, if only one investor registers to be the project owner;

b/ For land areas in commercial housing investment projects reserved for the construction of social houses under Clause 2, Article 16 of this Law, investors of such commercial housing projects shall directly invest in the construction of social houses, unless the State allocates these land areas to other organizations for construction of social houses;

c/ Businesses or cooperatives that have lawful land use rights in conformity with housing construction master plans, fully meet the conditions for acting as investors and have the need to invest in the construction of social houses may be assigned to act as owners of social housing projects;

d/ In case of construction of social houses for industrial park workers, industrial park infrastructure businesses, enterprises conducting production activities in industrial parks or licensed real estate trading enterprises may be assigned by the State to act as project owners.

3. Households and individuals that have the need to invest in the construction of social houses on their lawful residential land areas shall invest in the construction of social houses.

4. Social housing construction owners prescribed in Clauses 1, 2 and 3 of this Article shall construct social houses in accordance with this Law.

**Article 58.** Incentives for owners of social housing projects

1. Businesses and cooperatives that invest in the construction of social houses not with the funding sources or in the form prescribed in Clause 1, Article 53 of this Law for lease, lease-purchase or sale are entitled to the following incentives:

a/ Exemption from land use levy or rental for land areas allocated or leased by the State for construction of social houses;



b/ Exemption from or reduction of value-added tax and enterprise income tax in accordance with tax laws. Construction of social houses for lease is entitled to value-added tax and enterprise income tax reductions higher than those for construction of social houses for lease-purchase or sale;

c/ Preferential loans from the Social Policy Bank or credit institutions operating in Vietnam. Construction of social houses for lease is entitled to loans with interest rates lower and for terms longer than those of loans for construction of social houses for lease-purchase or sale;

d/ Financial support from provincial-level People's Committees for part or the whole of the investment in the construction of technical infrastructure systems within social housing projects. Construction of social houses for lease is entitled to financial support for the whole investment;

dd/ Other incentives prescribed by law.

2. Households and individuals that invest in the construction of social houses for lease, lease-purchase or lease may enjoy the incentives prescribed in Clause 1 of this Article when meeting the following requirements:

a/ They construct houses under construction master plans approved by competent agencies and ensure infrastructure connection in housing areas;

b/ Houses are conformable to construction standards and regulations and housing area standards;

c/ House sale prices, rental rates or lease-purchase prices are conformable to price frames promulgated by provincial-level People's Committees of localities where houses are constructed.

**Article 59.** Incentives for organizations that arrange on their own housing for their employees

1. In case industrial production or service businesses and cooperatives purchase or rent on their own houses for their workers to live in for free or at a rental rate not exceeding the social house rental rate promulgated by provincial-level People's Committees, expenses for purchase or rent of such houses may be accounted as reasonable expenses in the production costs for enterprise income tax calculation.

2. In case industrial production or service businesses and cooperatives invest in the construction of houses for their workers to live in for free or at a rental rate not exceeding the social house rental rate promulgated by provincial-level People's Committees, in addition to the incentives prescribed in Clause 1, Article 58 of this Law, these businesses or cooperatives may account the house construction expenses into their production costs for enterprise income tax calculation.

**Article 60.** Determination of rental rates or lease-purchase prices of social houses constructed by the State

Rental rates or lease-purchase prices of social houses constructed by the State with the funding sources or in the form prescribed in Clause 1, Article 53 of this Law shall be determined as follows:

1. In case of lease, rental rates must include all house maintenance expenses and expenses for recovery of house construction investment funds within at least 20 years from the signing date of rent contracts. For houses leased to pupils and students, rental rates must include all operation management and maintenance expenses and exclude expenses for recovery of house construction investment funds;

2. In case of lease-purchase, lease-purchase prices must include all expenses for recovery of house construction investment funds within at least 5 years from the signing date of lease-purchase contracts;

3. No land use levy and rental shall be imposed on land areas for construction of social houses;

4. Competent agencies defined in Clause 2, Article 81 of this Law shall set rental rates or lease-purchase prices of social houses.

**Article 61.** Determination of rental rates, lease-purchase prices or sale prices of social houses not constructed by the State

1. Rental rates, lease-purchase prices or sale prices of social houses not constructed with the funding sources or in the form prescribed in Clause 1, Article 53 of this Law shall be determined as follows:

a/ Rental rates of social houses shall be determined by investors to be inclusive of all house maintenance expenses, expenses for recovery of house construction investment funds, loans (if any) and certain profits as stipulated by the Government, and exclusive of the State's incentives prescribed in Clause 1, Article 58 of this Law;

b/ Lease-purchase prices of social houses shall be determined under Point a of this Clause to be exclusive of house maintenance expenses paid by lessees under Clause 1, Article 108 of this Law;

c/ Sale prices of social houses shall be determined by investors to be inclusive of all expenses for recovery of house construction investment capital, loans (if any) and certain profits as stipulated by the Government and exclusive of the State's incentives prescribed in Clause 1, Article 58 of this Law;

d/ Social housing investors shall formulate and report house rental rates, lease-purchase prices or sale prices to provincial-level People's Committees of localities where social houses are constructed for appraisal before announcing them.

2. For social houses constructed by households and individuals, these households and individuals shall determine rental rates, lease-purchase prices or sale prices by themselves in accordance with Point c, Clause 2, Article 58 of this Law.

**Article 62.** Principles of lease, lease-purchase and sale of social houses

1. The lease, lease-purchase and sale of social houses must comply with this Law. At a time, each subject prescribed in Clause 1, Article 50 of this Law may rent or rent-purchase or purchase only one social house. Pupils and students of public boarding schools for ethnic minority people are not required to pay rentals and service charges in the course of using social houses.

2. The term of a social house rent contract is at least 5 years. The time limit for making payments for the lease-purchase of a social house is at least 5 years from the signing date of the lease-purchase contract.

3. Lessees of social houses may neither sell, sub-lease nor lend such houses during the lease or lease-purchase term. If lessees no longer need to rent or rent-purchase houses, they shall terminate contracts and return such houses.

4. Lessees-purchasers or purchasers of social houses may not resell such houses within at least 5 years after making full house lease-purchase or purchase payments. Within 5 years after making full house lease-purchase or purchase payments, if lessees-purchasers or purchasers

need to sell such social houses, they may sell the houses only to social house management units or, in case these units refuse to purchase, to subjects eligible to purchase social houses at a price not higher than the sale price of social houses of the same type in the same location and at the same time of sale, and do not have to pay personal income tax.

5. Five years after making full purchase or lease-purchase payments for social houses and after having been granted certificates for such houses, purchasers or lessees-purchasers of these social houses may resell them under the market mechanism to subjects that need the houses, and shall pay land use levy according to regulations of the Government and income tax in accordance with the tax law. If reselling social houses to subjects eligible to purchase social houses prescribed in this Law, they may only sell them at a price not higher than the sale price of social houses of the same type in the same location and at the same time of sale and do not have to pay personal income tax.

Re-settled households and individuals that rent-purchase or purchase social houses may resell such houses under the market mechanism to subjects that need social houses after making full purchase or lease-purchase payments for the houses and obtaining certificates but shall pay land use levy according to regulations of the Government and income tax in accordance with the tax law.

6. In all cases of lease, lease-purchase or sale of social houses not in accordance with this Law, lease, lease-purchase or purchase and sale contracts must become legally invalid and lessees, lessees-purchasers or purchasers shall return the houses to social house management units. In case the houses are not returned, provincial-level People's Committees of localities where the houses are located shall organize coercive recovery of such houses.

The handling of house rentals or purchase payments must comply with the civil law; the handling of payments for lease-purchase of social houses must comply with Article 135 of this Law.

**Article 63. Sale, lease, lease-purchase of social houses**

1. Owners of social housing projects may opt for the form of sale or lease-purchase of future houses or sale of ready-built houses.

2. The sale or lease-purchase of future social houses must meet the following conditions:

a/ Dossiers of housing investment projects and technical designs of the houses have been approved and construction licenses have been granted, for projects requiring construction licenses;

b/ House foundations have been completely constructed in accordance with the construction law and the road, water supply and drainage, daily-life and public lighting electricity supply systems in housing areas put up for sale or lease-purchase have been completely constructed under approved construction detailed plans, design dossiers and implementation schedules of the projects; mortgage has been released, in case the investor put the houses in mortgage, unless otherwise agreed by purchasers, lessees-purchasers and mortgagees.

c/ Written notices have been issued by provincial-level house management agencies that the houses satisfy all the conditions for sale, except social houses constructed by the State with the funding sources prescribed in Clause 1, Article 53 of this Law.

3. The lease, lease-purchase or sale of ready-built social houses must meet the following conditions:

a/ In housing areas for lease, lease-purchase or sale, the construction of technical infrastructure systems and social works has been completed under approved construction

detailed plans, design dossiers and implementation schedules of the projects. If the investor has put the houses in mortgage, such mortgage shall be released before the sale or lease-purchase of such houses, unless otherwise agreed by purchasers, lessees and the mortgagee;

b/ A written notice has been issued by the provincial-level house management agency that the houses fully meet the conditions for sale, lease or lease-purchase, except social houses constructed by the State with the funding sources prescribed in Clause 1, Article 53 of this Law;

c/ The houses fully meet the conditions prescribed at Points b and c, Clause 1, Article 118 of this Law.

4. Owners of social housing projects may not sign contracts for rent of future social houses. For houses that fully meet the conditions prescribed at Points a and b, Clause 2 of this Article, owners may only sign down payment contracts and collect down payments for house rent not exceeding 12 months' temporarily calculated house rental; the signing of down payment contracts for house rent must ensure eligible subjects and conditions for rent of social houses prescribed in this Law. After the houses fully satisfy the conditions prescribed in Clause 3 of this Article, owners may sign house rent contracts with those who have entered into down payment contracts.

5. Advance payments under this Article shall be made by social house purchasers according to agreements in house purchase and sale contracts and in proportion to the house construction completion percentage and in conformity with approved project implementation schedules but must not exceed 70% of the value of purchased houses until such houses are handed over to purchasers and 95% of the value of purchased houses until purchasers are granted certificates for such houses.

6. The Government shall stipulate in detail documents proving eligible subjects and conditions for enjoying social housing support policies, construction and purchase of commercial houses for use as social houses, types and area standards of social houses, tax reduction and credit incentives for the construction of social houses for lease, and the lease, lease-purchase, sale, management and use of social houses.

#### **Article 64.** Management and use of social houses

1. For social houses constructed with the funding sources or in the form prescribed in Clause 1, Article 53 of this Law, social house management agencies shall decide to select house operation management units. In case two or more units register for operation management of social houses, the selection of a house operation management unit shall be conducted through bidding.

2. For social houses constructed not with the funding sources or in the form prescribed in Clause 1, Article 53 of this Law, the house operation management is prescribed as follows:

a/ For social houses for lease, investors may organize by themselves the house operation management or hire or authorize capable units to manage the operation of such houses in accordance with this Law;

b/ For social houses for lease-purchase, within the lease-purchase term investors shall manage the house operation under Point a of this Clause. After lessees-purchasers make full lease-purchase payments to investors, the operation management shall be conducted under Point c of this Clause;

c/ For social houses for sale, purchasers shall manage the house operation, for individual houses. For condominiums, the operation management must comply with this Law's provisions on condominium operation management.

3. The management of operation of social houses is entitled to the preferential mechanism applicable to public services.

4. Units managing the operation of social houses may provide other services not banned by law in such social houses in order to reduce the house operation management service price.

### Section 3

#### POLICIES ON SOCIAL HOUSES FOR HOUSEHOLDS AND INDIVIDUALS THAT CONSTRUCT, RENOVATE OR REPAIR THEIR HOUSES ON THEIR OWN

**Article 65.** Housing support policies for households and individuals that construct, renovate or repair their houses on their own

1. The State shall provide support for households and individuals prescribed in Clauses 1, 2 and 3, Article 49 of this Law to construct, renovate or repair their houses on their own through target housing programs.

2. Housing support policies for subjects mentioned in Clause 1 of this Article shall be implemented as follows:

a/ Partial financial assistance from the state budget;

b/ Preferential loans from the Social Policy Bank;

c/ Support for construction of infrastructure in rural housing areas;

d/ Land use levy exemption or reduction upon allocation of residential land to subjects having no residential land in accordance with the land law;

dd/ Donation of houses to subjects that remain financially incapable to improve their housing conditions after receiving the assistance and support prescribed at Points a and b of this Clause.

3. The State shall provide preferential loans through the Social Policy Bank or credit institutions designated by the State for households and individuals prescribed in Clauses 1, 4, 5, 6 and 7, Article 49 of this Law to construct, renovate or repair their houses on their own.

**Article 66.** Forms of implementation of housing support policies for households and individuals that construct, renovate or repair their houses on their own

1. Households and individuals organize by themselves the construction, renovation or repair of their houses.

2. The State organizes the construction or renovation of houses, for people with disabilities and lonely people who are unable to construct, renovate or repair houses on their own.

### Chapter V

#### FINANCE FOR HOUSING DEVELOPMENT

**Article 67.** Funding sources for housing development

1. Capital of organizations, households and individuals.

2. Loans from the Social Policy Bank and credit and financial institutions currently operating in Vietnam.

3. House purchase or lease-purchase payments or rentals paid in advance in accordance with this Law.

4. Capital contributed by organizations and individuals through capital contribution, investment cooperation, business cooperation, joint venture or partnership.

5. Capital allocated by the State from central and local budgets as housing support for subjects entitled to social policies through target housing programs and through construction of social houses for lease or lease-purchase.

6. Capital raised from abroad and other lawful sources.

**Article 68.** Principles of capital raising for housing development

1. Forms of capital raising must be suitable to different types of house prescribed in this Law. Cases of capital raising in improper forms and failing to fully meet the conditions prescribed by the housing law for each type of house must be legally invalid.

2. Organizations and individuals that raise capital must fully meet the conditions for capital raising prescribed by the housing law.

3. Public and transparency; lawful rights and interests of organizations and individuals contributing capital for housing development are guaranteed.

4. Organizations and individuals shall use raised capital for housing development, not for other projects or purposes.

5. Capital for housing development and implementation of social housing policies shall be managed in accordance with this Law, relevant laws and agreements of related parties.

6. The Government shall stipulate in detail the capital raising, contents, conditions and forms of capital raising for development of each type of house.

**Article 69.** Capital for commercial housing development

1. Own capital of owners.

2. Capital raised through capital contribution, investment cooperation, business cooperation, joint venture or partnership of organizations, households and individuals.

3. House purchase or lease-purchase payments or rentals paid in advance under contracts on purchase and sale, lease or lease-purchase of future houses.

4. Loans from credit and financial institutions operating in Vietnam.

**Article 70.** Capital for implementation of social housing policies

1. Capital of owners or capital raised through capital contribution, investment cooperation, business cooperation, joint venture or partnership of organizations, households and individuals.

2. Capital of subjects entitled to social housing support policies.

3. Investment capital of the State prescribed in Clause 1, Article 53 of this Law.

4. Capital provided by the State as direct support for subjects entitled to social housing policies; capital provided by the State as preferential loans through the Social Policy Bank or credit institutions designated by the State.

5. Support capital from various funds and other lawful support sources.

**Article 71.** Capital for development of official-duty houses

1. Capital allocated from the state budget, including central and local budgets.

2. Other funding sources prescribed by law.

**Article 72.** Capital for development of houses for resettlement

1. Capital of investors or capital raised through capital contribution, investment cooperation, business cooperation, joint venture or partnership of organizations, households and individuals.

2. Investment capital of the State prescribed in Clause 3, Article 36 of this Law.

3. Capital from the land development fund.  
4. Capital from compensations and supports for resettlement upon ground clearance in accordance with law.

5. Capital raised from other lawful sources.

**Article 73.** Capital for development of houses of households and individuals

1. Capital of households and individuals.
2. Capital from cooperation among households and individuals; financial assistance of family clans and residential communities.
3. Loans of credit institutions and financial institutions currently operating in Vietnam.
4. Support capital of the State, for subjects entitled to social housing support policies prescribed in Article 65 of this Law.
5. Support capital from other lawful sources.

**Article 74.** Preferential loans from the Social Policy Bank for development of social houses

1. The State shall support the provision of preferential loans with low interest rates and long terms through allocating state budget funds to the Social Policy Bank for implementation of target housing programs and construction of social houses.

2. The Social Policy Bank may mobilize savings of domestic households and individuals that need to purchase or rent-purchase social houses for providing these subjects loans with preferential interest rates and long terms after a certain depositing period of savings.

3. The Social Policy Bank shall open separate accounts for management and use of funding sources for proper purposes prescribed in Clauses 1 and 2 of this Article.

4. The Ministry of Construction and the Ministry of Labor, War Invalids and Social Affairs shall participate in managing funding sources and managing the use of funding sources prescribed in Clauses 1 and 2 of this Article.

5. The Government shall detail this Article.

## Chapter VI

### MANAGEMENT AND USE OF HOUSES

#### Section 1

##### GENERAL PROVISIONS ON MANAGEMENT AND USE OF HOUSES

**Article 75.** Contents of management and use of houses

1. Making, preservation and management of house dossiers.
2. Home insurance.
3. Management and use of houses of artistic, cultural or historical value.
4. Management and use of state-owned houses.
5. Warranty, maintenance, renovation and demolition of houses.

**Article 76.** Making of house dossiers

1. House owners or current users in case owners have not been identified yet, and organizations assigned to manage state-owned houses shall make and preserve house dossiers under Clause 2 of this Article and Article 77 of this Law.

2. House dossiers are prescribed as follows:

a/ For houses in urban and rural areas constructed before July 1, 2006, house dossiers must include papers proving their lawful construction or house information declarations prescribed by the housing law;

b/ For houses in urban areas constructed since July 1, 2006, house dossiers must include papers proving the lawful construction of houses; papers on consulting and construction units, drawings of designs and plans of houses and residential land, and as-built dossiers prescribed by the construction law (if any);

c/ For houses in rural areas constructed since July 1, 2006, house dossiers must include papers proving the lawful construction of houses and drawings of designs and plans of houses and residential land (if any);

d/ For houses constructed under projects, house dossiers must include housing investment project dossiers and as-built dossiers prescribed by law.

**Article 77.** Preservation and management of house dossiers

1. Organizations and individuals that preserve house dossiers are prescribed as follows:

a/ House owners or current users in cases owners have not been identified yet; organizations assigned to manage state-owned houses shall preserve house dossiers;

b/ District-level housing management agencies shall preserve dossiers of houses of domestic households and individuals and overseas Vietnamese in their localities;

c/ Provincial-level housing management agencies shall preserve dossiers of houses of domestic organizations, foreign organizations and individuals, and of housing investment projects in their localities.

2. When carrying out procedures for granting certificates, competent state agencies shall provide information on houses prescribed in Clause 2, Article 76 of this Law to housing management agencies of the same level for making house dossiers.

Provincial-level People's Committees shall stipulate the coordination in the provision of information on houses between agencies competent to carry out procedures for granting certificates and local housing management agencies in order to ensure consistency of information on houses and residential land recorded in house dossiers.

**Article 78.** Home insurance

1. The State shall encourage owners to purchase insurance for their houses. For houses on the list of facilities vulnerable to fire or explosion prescribed by the law on fire prevention and fighting, their owners shall purchase compulsory fire and explosion insurance.

2. Methods of payment and levels of home insurance premiums and home insurance terms must comply with the law on insurance business and the law on fire prevention and fighting.

**Article 79.** Management and use of houses of artistic, cultural or historical value

1. Houses of artistic, cultural or historical value, including also old villas, regardless of their form of ownership, are prescribed as follows:

a/ Houses which are classified by competent state agencies as national- or provincial-level historical-cultural relics;

b/ Houses which are not prescribed at Point a of this Clause but are on the lists approved by provincial-level People's Committees at the request of competent agencies prescribed in Clause 2 of this Article.

2. Provincial-level People's Committees shall form councils composed of representatives



of provincial-level architecture, construction and culture agencies, related professional associations and scientists to determine criteria and draw up lists of houses of artistic, cultural or historical value in their localities for approval.

3. The management and use of houses prescribed in Clause 1 of this Article must comply with this Law and the law on cultural heritage. The management and use of state-owned houses must also comply with Section 2 of this Chapter.

4. Funds for the management, conservation, maintenance and renovation of houses prescribed at Point a, Clause 1 of this Article and state-owned houses must come from the state budget.

For houses prescribed at Point b, Clause 1 of this Article, except state-owned houses, depending on specific local conditions, provincial-level People's Committees shall decide to partially or wholly pay for the management, conservation, maintenance and renovation of these houses by their owners.

## Section 2

### MANAGEMENT AND USE OF STATE-OWNED HOUSES

#### **Article 80.** Types of state-owned houses

1. Official-duty houses constructed or purchased by the State with its budget or placed under state ownership in accordance with law.

2. Houses for resettlement constructed by the State with the funding sources or in the form prescribed in Clause 3, Article 36 of this Law.

3. Social houses constructed by the State with the funding sources or in the form prescribed in Clause 1, Article 53 of this Law.

4. Old houses constructed with the state budget or state budget-originated sources or placed under state ownership and currently leased to households and individuals in accordance with the housing law.

#### **Article 81.** Management and use of state-owned houses

1. State-owned houses shall be used for proper purposes and with efficiency, avoiding loss and wastefulness; the sale, lease, lease-purchase, recovery, management and use of state-owned houses must comply with this Law.

2. The following agencies shall represent the owner and manage state-owned houses:

a/ The Ministry of Construction, which shall manage official-duty houses and social houses constructed with the central budget; the Ministry of National Defense and Ministry of Public Security, which shall manage houses they construct;

b/ Provincial-level People's Committees, which shall manage houses constructed with local funding sources and houses assigned to them for management in their localities.

3. The management of operation of state-owned houses shall be performed by businesses or cooperatives with the house operation management function and is entitled to the preferential mechanisms applicable to public services. The selection of units to manage the operation of state-owned houses shall be decided by competent agencies prescribed in Clause 2 of this Decision.

4. Official-duty houses may only be leased while social houses may be constructed for lease or lease-purchase. For houses that are no longer needed or are to be relocated without being demolished or that need reinvestment to construct other social houses, the Ministry of Construction shall consider and report the change of their utilities to the Prime Minister for

decision, and manage the lease or sale thereof in accordance with this Law.

5. Official-duty house lessees who no longer fully meet the conditions for renting official-duty houses or move out or commit violations of regulations on house management and use and are subject to house recovery shall return official-duty houses to the State.

If those who return official-duty houses are not subject to house recovery for committing violations prescribed at Points a, e and h, Clause 1, Article 84 of this Law and have no houses in localities where they come to reside after returning official-duty houses, agencies or organizations directly managing and employing them shall work with provincial-level People's Committees of localities where they reside in assisting them in renting, rent-purchasing or purchasing social houses or receiving residential land for construction of houses, depending on specific local conditions.

6. The Government shall stipulate in detail the lease, lease-purchase and sale, house rental exemption and reduction, and the management and use of state-owned houses.

**Article 82.** Subjects eligible and conditions for rent, rent-purchase and purchase of state-owned houses

1. Subjects eligible and conditions for rent, rent-purchase and purchase of state-owned houses are as follows:

a/ Subjects prescribed in Clause 1, Article 32 and Clause 9, Article 49 of this Law may only rent houses;

b/ Subjects prescribed in Clauses 1, 4, 5, 6, 7, 8 and 10, Article 49 of this Law may be considered and allowed to rent or rent-purchase social houses;

c/ Subjects prescribed in Clause 10, Article 49 of this Law that have not yet rented, rented-purchased or purchased social houses may be allowed to rent, rent-purchase or purchase houses for resettlement;

d/ Subjects that are actually using old houses prescribed in Clause 4, Article 80 of this Law may be allowed to rent or purchase such houses.

2. Conditions for rent, rent-purchase and purchase of state-owned houses are as follows:

a/ Subjects eligible to rent official-duty houses must meet the conditions prescribed in Clause 2, Article 32 of this Law;

b/ Subjects eligible to rent or rent-purchase social houses must meet the conditions prescribed in Clause 1, Article 51 of this Law. In addition to these conditions, subjects prescribed in Clause 10, Article 49 of this Law must have not been allocated houses or residential land for resettlement;

c/ Subjects eligible to rent, rent-purchase or purchase houses for resettlement must be subject to land recovery or house clearance under decisions of competent state agencies and have not been allowed to rent, rent-purchase or purchase social houses;

d/ Subjects eligible to rent or purchase old houses must be actually using such houses and need to rent or purchase such houses.

**Article 83.** Lease, lease-purchase and sale of state-owned houses

1. The lease, lease-purchase and sale of state-owned houses must ensure publicity and transparency. In addition to Articles 82 and 83 and the provisions on house purchase and sale, lease and lease-purchase in Chapter VIII of this Law, the following provisions shall be complied with:

- a/ The rent of official-duty houses must comply with Article 33 of this Law;
- b/ The lease, lease-purchase and sale of houses for resettlement must comply with Articles 35 and 41 of this Law;
- c/ The lease, lease-purchase and sale of social houses must comply with Articles 62 and 63 of this Law;
- d/ The lease or sale of old houses must satisfy the conditions that such houses are subject to no lawsuit or dispute on the use right and allowed to be leased or sold in accordance with the housing law.

2. Contracts on house lease, lease-purchase or purchase and sale must have the contents prescribed in Article 121 of this Law. The signing of such contracts is prescribed as follows:

- a/ For the purchase and sale or lease-purchase of social houses or purchase and sale of old houses, contracts shall be signed between purchasers or lessees-purchasers and housing management agencies;
- b/ For the lease, lease-purchase or purchase and sale of houses for resettlement, contracts shall be signed between resettled people and units assigned to arrange houses for resettlement;
- c/ For the lease of old houses, official-duty houses or social houses, contracts shall be signed between lessees and housing management agencies or units assigned to manage the operation of such houses.

**Article 84.** Recovery of state-owned houses

1. State-owned houses shall be recovered in one of the following cases:

- a/ Such house has been sold or leased either by an incompetent agency or to an ineligible subject or without satisfaction of the conditions prescribed in this Law;
- b/ The lessee no longer needs to rent such house upon the expiration of the lease term under the lease contract or the two parties agree to terminate the house lease or lease-purchase contract;
- c/ The lessee returns such house currently under lease or lease-purchase;
- d/ The lessee no longer meets the conditions for house rent prescribed in this Law;
- dd/ The lessee dies or is declared missing by a court without any surviving cohabitants; or the lessee of an official-duty house dies or is declared missing by a court;
- e/ The lessee has failed to pay rental for at least 3 months without any plausible reasons;
- g/ The house under lease or lease-purchase is subject to demolition for renovation or reconstruction under a decision of a competent state agency;
- h/ The lessee uses such house not for purposes agreed upon in the rent contract or change its use purposes, sells, sub-leases, lends, extends, renovates or demolishes the house without permission.

2. Current lessees of houses subject to recovery under Clause 1 of this Article shall return such houses to units assigned to manage houses. In case of failure to return houses, agencies representing the house owner shall decide on coercive recovery. Provincial-level People's Committees shall organize the coercive recovery of such houses within 30 days after decisions on coercive recovery are issued.

## Section 3

## HOUSE WARRANTY, MAINTENANCE AND RENOVATION

**Article 85.** House warranty

1. Organizations and individuals that construct houses shall provide house warranty in accordance with the construction law; organizations and individuals that supply house equipment shall provide warranty for such equipment according to their useful life recommended by manufacturers.

In case of construction of houses for sale or lease-purchase, house sellers or lessors shall provide warranty under Clauses 2 and 3 of this Article. House sellers or lessors may request organizations and individuals that have constructed houses or supplied house equipment to provide warranty in accordance with law.

2. House warranty shall be provided for the following period after houses are completely constructed, tested for acceptance and put into use:

a/ For condominiums: At least 60 months;

b/ For individual houses: At least 24 months.

3. House warranty covers repair and fixing of damaged or deteriorated frames, columns, beams, floors, walls, ceilings, roofs, terraces, stairways, wall tiling, flooring, plastering, fuel supply systems, residential and lighting electricity supply systems, water tanks and daily-life water supply systems, septic tanks and wastewater drainage and household waste discharge systems; fixing of house tilting, subsidence, fracture and collapse; and other contents as agreed upon in house purchase and sale or lease-purchase contracts. For other house fixtures, house sellers or lessors shall provide warranty by repairing or replacing them within their useful life recommended by manufacturers.

**Article 86.** House maintenance

1. House owners shall conduct maintenance of their houses. In case house owners have not been identified yet, persons currently managing and using houses shall conduct maintenance of such houses.

2. House maintenance must comply with this Law and the construction law. For houses prescribed in Clause 1, Article 79 of this Law, the maintenance must also comply with the laws on architecture, planning, servicing, conservation and restoration of historical and cultural relics.

3. House owners and units conducting house maintenance shall ensure safety for people and property, sanitation and environmental protection in the course of house maintenance. The maintenance of state-owned houses must also comply with Article 90 of this Law.

**Article 87.** House renovation

1. House owners may renovate their houses. Persons who are not house owners may renovate houses only after obtaining consent of their owners.

2. House renovation must comply with this Law and the construction law. In case formulation of a project is required by law for house renovation, houses shall be renovated under approved projects. For state-owned houses, their renovation must also comply with Article 90 of this Law.

3. The renovation of houses prescribed in Clause 1, Article 79 of this Law must also comply with the laws on planning, architecture and management of cultural relics. In case approval of competent agencies is required by law for house renovation, house owners or housing management agencies shall comply with written approval of competent agencies.

4. The maintenance of old villas prescribed in Clause 1, Article 79 of this Law must also comply with the following provisions:

a/ Their original state must not be changed;

b/ They must not be demolished unless they are severely damaged or in danger of collapse according to inspection conclusions of provincial-level housing management agencies. In case demolition is required for reconstruction, reconstructed villas must strictly follow the original architectural styles, use building materials and have the same construction density, number of stories and height as those of old ones;

c/ It is prohibited to build additional structures to increase their floor areas or expand the villas or occupy their outside space.

**Article 88.** Rights and obligations of house owners in the house maintenance and renovation

1. House owners have the following rights in the house maintenance and renovation:

a/ To conduct on their own or hire other organizations or individuals to conduct the maintenance and renovation. In case the house maintenance and renovation are required by law to be conducted by capable construction units or individual constructors, house owners shall hire such construction units or constructors;

b/ To request competent state agencies to grant construction permits in case such permits are required, and facilitate the house maintenance and renovation when fully meeting the conditions prescribed by the construction law;

c/ To exercise other rights prescribed by law.

2. House owners have the following obligations in the house maintenance and renovation:

a/ To comply with regulations on house maintenance and renovation; to create conditions for other house owners to conduct the maintenance and renovation of their houses;

b/ To pay compensations if causing damage to others;

c/ To perform other obligations prescribed by law.

**Article 89.** Maintenance and renovation of leased houses

1. Lessors may renovate houses with the consent of lessees, except in emergency circumstances or for *force majeure* reasons. Lessees shall allow lessors to conduct the house maintenance and renovation.

2. Lessors are entitled to reasonably adjust rental rates after completing the renovation if the remaining lease term is equal to at least one-third of the term of the rent contract. In case lessees disagree with the adjustment of the rental rates, they may unilaterally terminate their rent contracts and are entitled to compensations in accordance with law.

3. In case lessees have to move out for the house maintenance or renovation, the parties shall agree on temporary residences and house rentals payable during the maintenance or renovation period. In case lessees are able to arrange their temporary residences and have paid in advance house rentals for the period of maintenance or renovation, lessors shall refund such rentals to lessees. The maintenance or renovation period shall not be included in the term of the rent contract. Lessees may continue renting houses after the maintenance or renovation is completed.

4. Lessees are entitled to request lessors to maintain houses, except for damage caused by lessees to the houses. In case lessors do not maintain houses, lessees are entitled to do so but shall notify such maintenance in writing to lessors at least 15 days in advance. Such written

notification must clearly state the extent of and expenses for maintenance. Lessors shall pay maintenance expenses to lessees or gradually deduct them from rentals.

**Article 90.** Maintenance and renovation of state-owned houses

1. The maintenance and renovation of state-owned houses shall be approved by competent state agencies and must comply with this Law and the construction law.

2. The renovation of leased state-owned houses must comply with Article 89 of this Law. In case housing management agencies grant written permission for lessees to renovate houses at their own expenses, renovated parts of the houses must still be under the state ownership and organizations assigned to manage such houses shall refund renovation expenses to lessees or gradually deduct them from rentals.

**Article 91.** Maintenance and renovation of houses under common ownership

1. Co-owners of houses under common ownership have the right and responsibility to maintain and renovate parts of their houses under their respective ownership. In case it is unable to determine the portion of ownership of each co-owner, the responsibility for maintenance and renovation shall be equally divided among co-owners. For the maintenance and renovation of houses under common ownership, the consent of co-owners is required.

2. Expenses for maintenance and renovation of parts of houses under common ownership shall be divided among co-owners in proportion to their respective portions of ownership, unless otherwise agreed upon by co-owners. For multi-owner condominiums, the contribution of funds for the maintenance of sections under common ownership shall be made in accordance with Article 108 of this Law.

#### Section 4

#### DEMOLITION OF HOUSES

**Article 92.** Houses which shall be demolished

1. Houses which are severely damaged, in danger of collapse and unsafe for users according to quality inspection conclusions of provincial-level housing management agencies of localities where such houses are located, or in a state of emergency or in response to a natural disaster.

2. Houses prescribed in Clause 2, Article 110 of this Law.

3. Houses which shall be cleared for land recovery under decisions of competent state agencies.

4. Houses constructed in areas where construction is banned or on non-residential land areas under master plans approved by competent state agencies.

5. Houses which shall be demolished under the construction law.

**Article 93.** Responsibility for house demolition

1. House owners or persons currently manage or use houses shall demolish their houses. In case houses shall be cleared for construction of new houses or other works, construction investors shall demolish such houses.

2. House owners may demolish houses on their own if they are fully capable to do so in accordance with the construction law or hire capable construction organizations or individuals to do so.

3. The demolition of condominiums for renovation or construction of new condominiums must also comply with Section 2, Chapter VII of this Law.

4. People's Committees of communes, wards and townships (below collectively referred to as commune-level People's Committees) shall monitor and urge the demolition of houses in their localities.

**Article 94.** Requirements on house demolition

1. People and property shall be removed from places of demolition.

2. Caution signboards shall be displayed and measures taken to isolate places of demolition from surrounding areas.

3. Safety for people, property, adjacent works and technical infrastructure facilities not subject to demolition and sanitation and environmental protection shall be ensured in accordance with law.

4. Demolition of houses in residential areas may not be carried out during 12:00-13:00 hrs and 22:00-5:00 hrs, except in urgent cases.

**Article 95.** Coercive house demolition

1. In case owners, investors or current managers or users of houses subject to demolition prescribed in Article 92 of this Law fail to voluntarily demolish such houses, competent state agencies prescribed in Clause 2 of this Article shall issue decisions on coercive house demolition.

2. Competence to issue decisions on coercive house demolition is prescribed as follows:

a/ Chairpersons of district-level People's Committees shall issue decisions on coercive demolition of houses for land recovery in the cases prescribed in Clause 3, Article 92 of this Law, or of individual houses prescribed in Clauses 1, 4 and 5, Article 92 of this Law;

b/ Chairpersons of provincial-level People's Committees shall issue decisions on coercive demolition of condominiums in cases prescribed in Clauses 1, 2, 4 and 5, Article 92 of this Law.

3. District-level People's Committees shall organize coercive house demolition under decisions prescribed in Clause 2 of this Article.

4. Funds for coercive house demolition are prescribed as follows:

a/ House owners or current managers or users or construction investors shall bear expenses for coercive demolition and expenses related to the demolition;

b/ In case house owners or current managers or users or construction investors refuse to pay demolition expenses, competent state agencies shall issue decisions on application of coercive measures to force them to pay demolition expenses with their property.

**Article 96.** Residences for owners when their houses are demolished

1. House owners shall find new residences for themselves when their houses are demolished.

2. In case of demolition of houses subject to land recovery, residences for their owners shall be arranged under the resettlement housing policy upon land recovery by the State in accordance with this Law and the land law.

3. In case of demolition of condominiums for renovation or construction of new ones, residences for owners of these condominiums shall be arranged in accordance with Article 116 of this Law.

**Article 97.** Demolition of leased houses

1. Lessors shall notify in writing the demolition to lessees at least 90 days before the demolition is conducted, except in urgent cases or demolition under administrative decisions of competent state agencies.

2. In case of demolition of houses for reconstruction during the lease term, lessors shall arrange other residences for lessees during the house demolition and reconstruction, unless lessees agree to find residences for themselves. After the construction of houses is completed, lessees are entitled to continue the rent until the expiration of the contracts, unless they no longer need to rent such houses. In case lessees find residences for themselves, they are not required to pay any rental during the demolition and reconstruction period and this period shall not be included in the term of the rent contracts.

## Chapter VII

### MANAGEMENT AND USE OF CONDOMINIUMS

#### Section 1

#### MANAGEMENT, USE AND MAINTENANCE OF CONDOMINIUMS

##### **Article 98.** Grading of condominiums

1. Condominiums shall be classified into different grades for determining their values when managing them or transacting them on the market.
2. The Minister of Construction shall stipulate the grading and recognition of grades of condominiums.

##### **Article 99.** Useful life of condominiums

1. The useful life of a condominium shall be determined based on its class of construction and the quality inspection conclusion of the provincial-level housing management agency of the locality where such condominium is located under Clause 2 of this Article. Provincial-level People's Committees shall allocate funds for house quality inspection.

2. When the useful life of a condominium prescribed by the construction law expires or when a condominium is severely damaged, in danger of collapse and unsafe for users, the provincial-level housing management agency shall organize the quality inspection of such condominium before handling the condominium as follows:

a/ In case the condominium is still of quality and safe for users, its owners may continue using the condominium until the expiration of the term stated in the quality inspection conclusion, except the cases prescribed in Clauses 2 and 3, Article 110 of this Law;

b/ In case the condominium is severely damaged, in danger of collapse and unsafe for users, the provincial-level housing management agency shall issue a quality inspection conclusion and report it to the provincial-level People's Committee for written notification to its owners. Contents of the written notification shall be publicized on the e-portal of the provincial-level People's Committee and housing management agency and in the local mass media.

Owners of such condominium shall demolish the condominium for renovation or construction or hand it over to competent agencies for demolition and construction of other works in accordance with Clause 3 of this Article.

3. The handling of condominiums and rights to use land on which condominiums prescribed at Point b, Clause 2 of this Article are located is prescribed as follows:

a/ In case the land plot on which the condominium is located is still conformable with the housing master plan, its owners are entitled to renovate or reconstruct the condominium in accordance with Section 2 of this Chapter;



b/ In case the land plot on which the condominium is located is no longer conformable with the housing master plan, its owners shall hand over the condominium to competent agencies for demolition and construction of other works under approved master plans;

c/ In case the condominium owner fails to demolish or hand over the condominium to competent agencies, the chairperson of the provincial-level People's Committee shall decide on coercive demolition of, or coercive removal from, the condominium;

d/ The arrangement of residences for owners of demolished condominiums must comply with Article 116 of this Law.

In case of demolition of a condominium for reconstruction, its owners are entitled to continue to exercise rights to use the land on which such condominium is located. In case of demolition of a condominium for construction of other works, the handling of rights to use the land on which such condominium is located must comply with the land law.

**Article 100.** Sections under private ownership and sections under common ownership in condominiums

1. Sections under private ownership in a condominium must include:

a/ Areas inside apartments, including also built-in balcony and loggia areas;

b/ Other areas in the condominium recognized as under its owners' private ownership;

c/ Technical equipment systems for private use built in apartments or in other areas under private ownership.

2. Sections under common ownership in a condominium must include:

a/ Remaining sections of the condominium other than those prescribed in Clause 1 of this Article; the place for community activities in the condominium;

b/ Space and systems of force-bearing structures and technical equipment for common use in the condominium, including frames, columns, force-bearing walls, surrounding walls, apartment partition walls, floors, roofs, terraces, passageways, stairways, lifts, emergency exits, garbage chutes, technical boxes; electricity, gas and water supply, information and communications, radio and television broadcasting and water drainage systems, septic tanks, lightning, fire extinguishing equipment and other parts not under private ownership of condominium owners;

c/ Exterior technical infrastructure systems connected to the condominium, except technical infrastructure systems used for public-utility purposes or subject to handover to the State or investors for management according to the approved project;

d/ Public facilities in the location of the condominium constructed for non-commercial purposes or for handover to the State according to the approved project, including common yard, flower garden, park and other facilities specified in the approved housing investment project.

**Article 101.** Parking lots and determination of apartment use areas and other areas in condominiums

1. Parking lots for automobiles, two-wheeled and three-wheeled motorcycles, sidecars, bicycles and vehicles for people with disabilities of condominium owners or users shall be constructed according to construction standards and regulations and approved designs and used for proper purposes. The determination of the ownership of and the right to use parking lots are prescribed as follows:

a/ Parking lots for bicycles, vehicles for people with disabilities, two-wheeled and three-wheeled motorcycles of condominium owners or users must be under common ownership and for common use by condominium owners;

b/ For parking lots reserved for automobiles of condominium owners, purchasers or lessees-purchasers of apartments or other areas in the condominium may decide to purchase or rent them. In case nobody purchases or rents these parking lots, they shall be managed by the investor and the investor is not allowed to include the construction cost of such parking lots in the sale or lease-purchase prices. The arrangement of parking lots for automobiles in a condominium must abide by the principle that parking lots for automobiles of condominium owners shall be prioritized over public parking lots.

2. Apartment use areas or other areas in a condominium under private ownership of condominium owners shall be measured by carpet area, including also the thickness of internal partition walls and balcony and loggia (if any) areas and excluding the thickness of external walls, apartment dividing walls and columns and technical boxes within apartments. When measuring the balcony area, the total floor area shall be calculated. For balconies with shared walls, their area shall be measured from the inner edge of the shared wall.

**Article 102. Condominium meeting**

1. Condominium meeting means a meeting of condominium owners or of condominium users in case condominium owners do not attend.

2. A condominium meeting shall be held to decide on issues prescribed in Clause 3 or 4 of this Article when fully meeting the conditions prescribed in the Regulation on management and use of condominiums promulgated by the Minister of Construction.

3. For a multi-owner condominium, a condominium meeting shall be held to decide on the following issues:

a/ Nomination, election or dismissal of members of the condominium management board; adoption, amendment and supplementation of an internal regulation on condominium management and use;

b/ Adoption, amendment and supplementation of a regulation on operation of the condominium management board; decision on responsibility allowance for members of the board and other reasonable expenses for its operation;

c/ Approval of the price of the condominium operation management service in accordance with Article 106 of this Law and use of funds for maintenance of sections under common ownership in the condominium;

d/ Decision on selection of a condominium operation management unit, in case the investor has no function and capability to manage condominium operation or has the function and capability to manage condominium operation but does not participate in the operation management, or participates in the condominium operation management but fails to meet the requirements agreed upon in the service provision contract signed with the condominium management board;

dd/ Adoption of reports on operation management and maintenance of sections under common ownership in the condominium;

e/ Decision on other issues related to condominium management and use.

4. For a single-owner condominium, condominium meetings shall be held to decide on the issues prescribed at Points a, b and e, Clause 3 of this Article.

5. All decisions of a condominium meeting on the issues prescribed in Clause 3 of this Article shall be adopted by a majority vote by show of hands or ballot and recorded in a minutes signed by the chairing members and secretary of the meeting.

**Article 103.** Condominium management board

1. For a single-owner condominium or a multi-owner condominium with fewer than 20 apartments, its owner(s) and users shall agree on deciding whether or not to establish a condominium management board. In case of deciding to establish a condominium management board:

a/ For a single-owner condominium, the management board shall be composed of representatives of the condominium owner and users;

b/ For a multi-owner condominium, the composition of the management board must comply with Clause 2 of this Article.

2. For a multi-owner condominium with 20 apartments or more, a condominium management board shall be established and composed of representatives of condominium owners and a representative of the investor (if any). In case condominium users attend condominium meetings, the condominium management board may also include users.

3. The management board of a single-owner condominium shall be organized after the self-management model. The management board of a multi-owner condominium shall be organized and operate like the board of directors of a joint-stock company or the management board of a cooperative, have the legal entity status and a seal, and exercise the rights and discharge the responsibilities prescribed in Clause 1, Article 104 of this Law.

When electing or dismissing members of the management board of their condominium, condominium owners and users are not required to establish a joint-stock company or cooperative. The election or dismissal of members of the management board shall be conducted at condominium meetings under the Regulation on condominium management and use promulgated by the Minister of Construction.

**Article 104.** Rights and responsibilities of the management board of a condominium

1. For a multi-owner condominium, the management board has the following rights and responsibilities:

a/ To urge and remind condominium owners and users to observe the internal rules and regulations on condominium management and use;

b/ To manage and use funds for maintenance of sections under common ownership in the condominium in accordance with this Law and decisions of condominium meetings; to report to condominium meetings on the collection and use of such funds;

c/ To request condominium meetings to approve the price of the condominium operation management service;

d/ To sign a contract on provision of the condominium operation management service with an investor or a unit with the function and capacity to manage condominium operation after such unit is selected at a condominium meeting under Point d, Clause 3, Article 102 of this Law.

In case no operation management unit is required under Point b, Clause 1, Article 105 of this Law and the management board is assigned by the condominium meeting to manage the condominium operation, the management board shall collect and use operation management funds under decisions of the condominium meeting;

dd/ To sign a contract with a capable house maintenance unit as prescribed by the construction law to maintain sections under common ownership in the condominium and

supervise the maintenance. The maintenance of sections under common ownership may be conducted by the unit currently managing the condominium operation or another capable maintenance unit as prescribed by the construction law;

e/ To collect and summarize opinions and recommendations of condominium users on the management, use and provision of condominium services and coordinate with functional agencies and related organizations and persons in the consideration and settlement thereof;

g/ To coordinate with local administrations and population groups in building a civilized lifestyle and maintaining social order and safety in the condominium;

h/ To strictly observe its operation regulation already approved by the condominium meeting and refrain from dismissing its members or admitting new members on its own;

i/ To enjoy responsibility remuneration and other reasonable expenses under decisions of the condominium meeting;

k/ To be held responsible before law and condominium owners and users when exercising the rights and performing the responsibilities in contravention of this Clause;

l/ To perform other jobs assigned by the condominium meeting which are not against the law.

2. For a single-owner condominium, the management board shall exercise the rights and perform the responsibilities prescribed at Points a, e, g, h, i, k and l, Clause 1 of this Article.

**Article 105. Condominium operation management**

1. The condominium operation management is prescribed as follows:

a/ For condominiums with elevators, the operation management shall be conducted by a unit with the condominium operation management function and capacity;

b/ For condominiums without elevators, the condominium meetings shall decide to self-manage the condominium operation or to hire a unit with the condominium operation management function and capacity to manage the condominium operation.

2. A condominium operation management unit must fully meet the function and capacity conditions below:

a/ Being established and operating in accordance with the Enterprises Law or the Cooperatives Law and having the function of condominium operation management;

b/ Having professional sections for condominium operation management, including technical, service, security, sanitation and environmental protection sections;

c/ Having employees who meet requirements on house operation management in the fields of construction, electricity and water technique, fire prevention and fighting, operation of equipment and facilities attached to condominiums and possess certificates of training in condominium operation management knowledge and skills under regulations of the Minister of Construction.

3. Condominium operation management units shall manage the operation of technical and equipment systems, provide condominium services, maintain condominiums, if capable, and perform other jobs related to the condominium operation management.

4. Condominium operation management units are entitled to collect operation management funds from condominium owners and users at the prices prescribed in Clauses 3 and 4, Article 106 of this Law. For state-owned condominiums, operation management service prices must comply with Point a, Clause 5, Article 106 of this Law.

5. A condominium operation management unit may manage the operation of more than one condominium in a location or in different locations.

**Article 106.** Condominium operation management service prices

1. The determination of condominium operation management service prices must be public and transparent and based on operation management tasks and services for each type of condominium.

2. Condominium operation management service prices do not cover expenses for maintenance of sections under common ownership, vehicle keeping, charges for use of fuel, energy, daily-life water, television and communication services and other services for the private use by condominium owners and users.

3. For a multi-owner condominium, the condominium operation management service price is prescribed as follows:

a/ In case no condominium meeting has not been held yet, the condominium operation management service price must comply with the agreement made in the house purchase and sale or rent-purchase contracts;

b/ In case a condominium meeting can be held, the condominium operation management service price shall be decided by the condominium meeting.

4. For a single-owner condominium, the condominium operation management service price shall be agreed between the condominium owner and users. For a state-owned condominium, the condominium operation management service price must comply with Clause 5 of this Article.

5. Provincial-level People's Committees shall promulgate condominium operation management service price frames for application in the following cases:

a/ Collection of operation management funds for state-owned condominiums in their localities;

b/ Use as a basis for parties to reach agreement on specific service prices in house purchase and sale or rent-purchase contracts or in case of disputes over service prices between condominium operation management units and condominium owners or users. In case no agreement on the condominium operation management service price can be reached, the prices in the service price frames promulgated by provincial-level People's Committees shall be applied.

**Article 107.** Condominium maintenance

1. Condominium maintenance includes maintenance of sections under private ownership and maintenance of sections under common ownership. Condominium owners shall maintain sections under private ownership and contribute funds for maintenance of condominium sections under common ownership.

2. For multi-owner condominiums, the contribution of funds for maintenance of sections under common ownership must comply with Article 108 of this Law; the use of funds for maintenance of sections under common ownership must comply with Article 109 of this Law.

3. Contents and the process of maintenance and management of condominium maintenance dossiers must comply with the construction law.

**Article 108.** Funds for maintenance of sections under common ownership in multi-owner condominiums

1. Funds for maintenance of sections under common ownership in a multi-owner condominium are prescribed as follows:

a/ For apartments or other areas in the condominium which are put for sale or lease-purchase by the investor, the investor shall contribute 2% of the value of such apartments or other areas. This amount shall be included in the amounts to be paid by purchasers or lessees upon receipt of the apartments or other areas and specified in purchase and sale or rent-purchase contracts;

b/ For apartments or other areas in the condominium which are retained by the investor not for sale or lease-purchase or have not yet been put for sale or lease-purchase by the time of handover of the condominium for use, except areas under common ownership, the investor shall contribute 2% of the value of retained apartments or areas. Such value shall be calculated according to the highest sale price of apartments in the condominium.

2. In case maintenance funds prescribed in Clause 1 of this Article are not enough, condominium owners shall additionally contribute funds in proportion to areas under private ownership of each owner.

3. In case the project owner signed contracts on purchase and sale or lease-purchase of apartments or other areas in a condominium before July 1, 2006, but has not collected any funds for maintenance of sections under common ownership, condominium owners shall hold a condominium meeting to agree on the contribution level. The contributions may be made every month into the deposit account at a credit institution operating in Vietnam opened by the condominium management board or when maintenance work arise.

4. In case the project owner has signed contracts on purchase and sale or lease-purchase of apartments or other areas in a condominium after July 1, 2006, which contain no agreement on maintenance funds, the owner shall contribute such amount. In case purchase or lease-purchase prices in house purchase and sale or lease-purchase contracts do not include maintenance funds, house owners shall contribute funds for maintenance of sections under common ownership under Clause 3 of this Article.

5. For condominiums for combined residence and commercial purposes with separate functional quarters in the same building, including apartment quarter and business and service quarter, each having sections under common ownership separated from those under common ownership of the whole building and independently managed and operated, investors and purchasers or lessees of apartments or other areas in such condominiums shall agree in purchase and sale or lease-purchase contracts on division of funds for maintenance of sections under common ownership into smaller portions for management and use under Clause 4, Article 109 of this Law.

**Article 109.** Management and use of funds for maintenance of sections under common ownership in multi-owner condominiums

1. For maintenance funds prescribed in Clause 1, Article 108 of this Law, within 7 days after such funds are collected from purchasers or lessees of apartments or other areas in condominiums, investors shall deposit them in saving deposit accounts opened at credit institutions operating in Vietnam for management and notify such to provincial-level housing management agencies of localities where their condominiums are located.

Within 7 days after condominium management boards are established, investors shall transfer maintenance funds together with deposit interests to the boards for management and use in accordance with this Law and notify such to provincial-level housing management agencies.

In case investors fail to transfer such funds, condominium management boards may request provincial-level People's Committees of localities where their condominiums are located to coerce the transfer under regulations of the Government.

2. Maintenance funds prescribed in Article 108 of this Law may only be used for maintenance of condominium sections under common ownership and not for condominium operation management and other purposes. In case a condominium shall be demolished, any remaining maintenance funds may be used to provide resettlement support or transferred to funds for maintenance of sections under common ownership in the new condominium.

3. Condominium management boards shall manage and use maintenance funds for proper purposes and items subject to maintenance under maintenance plans annually approved by condominium meetings. Payments from the funds for maintenance of sections under common ownership must have financial invoices and be settled under financial regulations and reported to condominium meetings.

Members of condominium management boards who make decisions on use of funds not in accordance with Clause 2 of this Article and this Clause shall be handled in accordance with law and shall pay compensations.

4. The management and use of maintenance fund portions prescribed in Clause 5, Article 108 of this Law are prescribed as follows:

a/ The fund portion for maintenance of sections under common ownership of the whole building and under common ownership of the apartment quarter may be transferred into the account opened by the condominium management board for management and use under this Article;

b/ The fund portion for maintenance of sections under common ownership of the business and service quarter may be managed and used by owners of the business and service quarter for maintenance of sections under common ownership of this functional quarter.

## Section 2

### DEMOLITION OF CONDOMINIUMS FOR RENOVATION OR RECONSTRUCTION

#### **Article 110.** Cases of demolition of condominiums for renovation or reconstruction

1. Condominiums that are subject to demolition for renovation or reconstruction prescribed at Point b, Clause 2, Article 99 of this Law.

2. Condominiums that are damaged but not yet subject to demolition and located in areas subject to renovation or reconstruction to be in harmony with those subject to demolition prescribed in Clause 1 of this Article under approved construction master plans.

3. Condominiums that are not prescribed in Clauses 1 and 2 of this Article but need to be demolished for new construction as agreed by all of their owners at condominium meetings.

#### **Article 111.** Making of condominium renovation or reconstruction plans

1. Provincial-level People's Committees shall review and make statistics on condominiums of all types in their localities; and make and approve plans on renovation or reconstruction of condominiums prescribed in Clauses 1 and 2, Article 110 of this Law.

2. Condominium renovation or reconstruction plans may be made and approved separately or incorporated in local housing development plans and shall be publicized in the local mass media and e-portals or websites of provincial-level People's Committees and housing management agencies and notified to residential quarters and commune-level People's Committees of localities where condominiums are located.

**Article 112.** Requirements on demolition of condominiums for renovation or reconstruction

1. The demolition of condominiums for renovation or reconstruction must fall into the cases prescribed in Article 110 of this Law and conform to approved local construction master plans and housing development programs and plans.

2. Before demolition of condominiums for renovation or reconstruction, investors shall make resettlement plans and report them to provincial-level People's Committees of localities where condominiums are located. Resettlement plans shall be notified to residential quarters where condominiums are demolished and publicized in the local mass media and e-portals or websites of provincial-level People's Committees and housing management agencies.

3. The renovation or reconstruction of condominiums shall be conducted under projects. The demolition of condominiums for renovation or reconstruction shall be combined with renovation of housing quarters in project areas under approved construction master plans.

4. The renovation or reconstruction of state-owned condominiums shall be approved by competent agencies and must comply with regulations on renovation and reconstruction of state-owned houses.

**Article 113.** Forms of renovation or reconstruction of condominiums

1. Real estate businesses shall make investment or contribute capital together with owners of condominiums prescribed in Article 110 of this Article for renovation or reconstruction of condominiums, unless owners of condominiums prescribed in Clauses 1 and 2, Article 110 of this Law oppose the demolition.

2. The State shall coerce the demolition and directly invest in the renovation or reconstruction of condominiums with the funding sources or in the forms prescribed in Clause 3, Article 36 of this Law for the cases prescribed in Clauses 1 and 2, Article 110 of this Law in case condominium owners oppose the demolition.

**Article 114.** Owners of condominium renovation or reconstruction projects

1. The selection of owners for condominium renovation or reconstruction projects shall be conducted as follows:

a/ In case the State invests capital in the renovation or reconstruction of condominiums from the source prescribed in Clause 3, Article 36 of this Law, provincial-level housing management agencies shall report the selection of owners to persons with investment-deciding competence for decision;

b/ In case the State invests in the renovation or reconstruction of condominiums in the form of build-transfer prescribed in Clause 3, Article 36 of this Law, provincial-level housing management agencies shall report to provincial-level People's Committees for decision the owner selection through bidding, in case two or more investors register, or contractor appointment, in case only one investor registers;

c/ In case real estate businesses contribute investment capital for renovation or reconstruction of condominiums, condominium owners and these businesses shall agree on units to act as investors and request provincial-level housing management agencies to report them to provincial-level People's Committees for approval.

2. The selection of owners for condominium renovation or reconstruction projects shall be conducted only after condominium renovation or reconstruction plans are approved by provincial-level People's Committees.



3. In the cases of condominium renovation or reconstruction prescribed at Points b and c, Clause 1 of this Article, owners must fully meet the conditions prescribed in Article 21 of this Law.

**Article 115.** Plans on resettlement arrangement upon demolition of condominiums

1. For a leased single-owner condominium, the arrangement of residences for current lessees must comply with the agreement between the owner and lessees.

2. For a multi-owner condominium constructed with investment of a real estate business, condominium owners and the business shall agree on the resettlement arrangement plan on the principles prescribed in Article 116 of this Law and report it to the provincial-level People's Committee of the locality where the condominium is located for approval.

Condominium owners shall hold a condominium meeting to agree on the resettlement arrangement plan before reporting it to the provincial-level People's Committee of the locality where the condominium is located for approval.

3. For condominiums prescribed in Clauses 1 and 2, Article 110 of this Law, of which owners oppose the demolition, provincial-level People's Committees of localities where such condominiums are located shall coerce the demolition and make and approve resettlement arrangement plans on the principles prescribed in Article 116 of this Law.

**Article 116.** Arrangement of resettlement houses

1. The arrangement of resettlement houses for owners whose condominiums are demolished for renovation or reconstruction shall be carried out as follows:

a/ In case owners do not need resettlement in the same location, depending on specific local conditions, they may be provided with houses or residential land for resettlement under Article 36 of this Law;

b/ In case owners need resettlement in the same location, they shall be provided with new houses which must be at least as large as old houses.

In case the State invests in the renovation or reconstruction of condominiums and there is a difference in the values of old and new houses, the payment of this value difference shall be made under approved resettlement arrangement plans. If real estate businesses and owners agree on condominium renovation or reconstruction, the payment of this value difference shall be made under their agreement;

c/ The arrangement of houses for resettlement shall be carried out under house lease, rent-purchase or purchase and sale contracts between persons entitled to resettlement arrangement and units assigned to arrange resettlement if such houses are constructed by the State; or between persons entitled to resettlement arrangement and project owners if such houses are constructed by real estate businesses;

d/ In addition to resettlement arrangement under this Clause, persons entitled to resettlement arrangement may also be considered for support in accordance with the law on compensation, support and resettlement.

2. The resettlement arrangement for owners whose condominiums are subject to demolition for construction of other works must comply with Article 36 of this Law.

3. In case the State invests in the renovation or reconstruction of condominiums, project owners shall arrange temporary residences or make payments for resettled persons to find their temporary residences during the renovation or reconstruction period. In case

real estate businesses and owners agree on investment in the renovation or reconstruction of condominiums, they shall also agree on temporary residences for owners during the renovation or reconstruction period.

4. The Government shall stipulate in detail the demolition of condominiums for renovation or reconstruction and arrangement of houses for resettled persons.

## Chapter VIII HOUSING TRANSACTIONS

### Section 1 GENERAL PROVISIONS ON HOUSING TRANSACTIONS

#### **Article 117.** Forms of housing transactions

Housing transactions include house purchase and sale, lease and lease-purchase, transfer of commercial house purchase and sale contracts, donation, exchange, inheritance, mortgage, contribution as capital, lending, permission for stay at, and authorized management of houses.

#### **Article 118.** Conditions for houses to be transacted

1. Houses in transactions of purchase and sale, lease-purchase, donation, exchange, mortgage and contribution as capital must fully meet the following conditions:

a/ Having certificates as prescribed by law, except the case prescribed in Clause 2 of this Article;

b/ Being free from any dispute, complaint or lawsuit over ownership; and being in the house ownership term, for houses subject to a definite ownership term;

c/ Not being distrained for judgment enforcement or for execution of a legally valid administrative decision of a competent state agency;

d/ Not being subject to a land recovery decision, ground clearance or house demolition notice of a competent agency.

The conditions prescribed at Points b and c of this Clause are not applicable to purchase and sale or lease-purchase of future houses.

2. Houses in the following house transactions are not required to have certificates:

a/ Purchase, sale or mortgage of future houses;

b/ Donation of gratitude houses or compassion houses by organizations;

c/ Purchase, sale or lease-purchase of state-owned houses; purchase, sale or lease-purchase of social houses or houses for resettlement not under state ownership; sale of houses prescribed in Clause 4, Article 62 of this Law;

d/ Lease, lending, permission for stay at or authorized management of houses;

dd/ Inheritance of houses;

e/ Transfer of contracts on purchase and sale of commercial houses constructed under housing investment projects, including also cases in which house owners have received houses handed over by investors but not yet submitted to competent state agencies dossiers of application for certificates for such houses.

Papers proving the satisfaction of the conditions for houses to be transacted prescribed in this Clause must comply with regulations of the Government.

3. Houses for lease must, in addition to the conditions prescribed at Points b, c and d, Clause 1 of this Article, also ensure quality and safety for lessees, have sufficient electricity and water supply and drainage systems and ensure environmental sanitation.

**Article 119.** Conditions on parties to housing transactions

1. The party that sells, leases or lease-sells a house, transfers a commercial house purchase and sale contract, donates, exchanges, bequeaths, mortgages, contributes as capital or lends a house, permits stay at a house or authorizes management of a house must meet the following conditions:

a/ Being the house owner or a person permitted or authorized by the house owner to conduct housing transactions in accordance with this Law and the civil law; in case of transfer of commercial house purchase and sale contracts, the transferor must have purchased the house from the investor or transferee of the house purchase and sale contracts;

b/ Having the full civil act capacity for conducting housing transactions in accordance with the civil law, for individuals; or having the legal person status, for organizations, except organizations donating gratitude or compassion houses.

2. A person that purchases, rents, rent-purchases, transfer a commercial house purchase and sale contract, accepts house exchange, receives, inherit, receives as capital contribution, accepts as mortgage, borrows, is permitted to stay at a house, or is authorized to manage a house must meet the following conditions:

a/ Having the full civil act capacity for conducting housing transactions in accordance with the civil law, for domestic individuals, regardless of their registered places of permanent residence;

b/ Having the full civil act capacity for conducting housing transactions in accordance with Vietnamese law and being entitled to own houses in Vietnam in accordance with this Law, for foreigners and overseas Vietnamese, regardless of their registered places of temporary or permanent residence.

3. An organization that purchases, rents, rent-purchases, transfer a commercial house purchase and sale contract, accepts house exchange, receives, inherit, receives as capital contribution, accepts as mortgage, or is authorized to manage a house must have the legal person status, regardless of its place of business registration or establishment. Foreign organizations must be entitled to own houses in Vietnam in accordance with this Law. Organizations authorized to manage houses must have the function of real estate service provision and be operating in Vietnam in accordance with the real estate business law.

**Article 120.** Order and procedures for conducting housing transactions

1. Parties to a housing transaction shall reach agreement on making a contract on purchase and sale, lease, lease-purchase, donation, exchange, mortgage, contribution as capital, lending, permission for stay at, authorized management of, a house or a document on transfer of commercial house purchase and sale contract (below collectively referred to as house contract) which must have the contents prescribed in Article 121 of this Law. In case organizations donate gratitude or compassion houses, only a donation document shall be made.

2. Parties shall agree to choose one of them to submit to a competent state agency a dossier of application for a certificate for such house. In case of purchase or rent-purchase of houses from project owners, such owners shall carry out procedures for competent state agencies to grant certificates to purchasers or lessees, unless purchasers or lessees voluntarily carry out procedures to apply for certificates.

3. When granting the certificate to the party that purchases, rents, receives, accepts house exchange, receives as capital contribution or inherits a house concurrently with the lawful rights to use the land on which the house is located, a competent state agency shall also recognize house ownership and residential land use rights for that party.

**Article 121.** House contract

A house contract shall be agreed upon by parties and established in writing and must include the following contents:

1. Full names of individuals, names of organizations and addresses of the parties;
2. Description of characteristics of the house and characteristics of the residential land parcel to which the house is attached. For condominium apartment purchase and sale or lease-purchase contracts, the parties shall clearly state sections under common ownership and for common use; use areas under private ownership; apartment floor area; use purposes of sections under common ownership and for common use in the condominium according to the approved design purpose;
3. Capital contribution value or house transaction price, if the contract has a price agreement. For house purchase and sale, lease and rent-purchase subject to price regulations promulgated by the State, parties shall comply with such regulations;
4. Payment time and method, for house purchase and sale, lease, lease-purchase and purchase and sale contract transfer;
5. Time for house handover; house warranty period, for purchase or lease-purchase of newly constructed houses; house lease or lease-purchase term, mortgage, lending, period of stay or authorized management; capital contribution time limit;
6. Rights and obligations of the parties;
7. Commitments of the parties;
8. Other agreements;
9. Effective time of the contract;
10. Signing date of the contract;
11. Signatures and full names of the parties, and seals (if any) and positions of the signatories, for organizations.

**Article 122.** Notarization or certification of house contracts and effective time of house contracts

1. Contracts on purchase and sale, donation, exchange, contribution as capital and mortgage of houses and commercial house purchase and sale contract transfer shall be notarized or certified, except the case prescribed in Clause 2 of this Article.

For a transaction prescribed in this Clause, the effective time of the contract is the time of its notarization or certification.

2. Contracts on donation of gratitude or compassion houses by organizations; purchase and sale or lease-purchase of state-owned houses; purchase and sale or lease-purchase of social houses or houses for resettlement; contribution of houses as capital in which one party is an organization; lease, lending, permission for stay at, and authorized management of houses are not required to be notarized or certified, unless contracting parties wish to have their contracts notarized or certified.

For a transaction prescribed in this Clause, the effective time of the contract shall be agreed upon by the parties. In case they reach no agreement, the effective time of the contract is the time of its signing.

3. House inheritance documents shall be notarized or certified in accordance with the civil law.

4. House contracts shall be notarized by notarization-practicing organizations. House contracts shall be certified by commune-level People's Committees of localities where houses are located.

## Section 2

### HOUSE PURCHASE AND SALE, TRANSFER OF HOUSE PURCHASE AND SALE CONTRACTS

**Article 123.** Transactions of house purchase and sale and transfer of commercial house purchase and sale contracts

1. House purchase and sale shall be conducted under a contract which must have the contents prescribed in Article 121 of this Law. The contracting parties may agree that the seller shall sell the house and transfer the rights to use land to which the house is attached to the purchaser within a time limit stipulated by the Government.

2. In case the purchaser of a commercial house from an investor has not yet submitted to a competent state agency a dossier of application of a certificate for such house and wishes to transfer the house purchase and sale contract, the contract transferee shall fulfill all obligations under the house purchase and sale contract signed with the investor.

The transfer order and procedures, contents and form of house purchase and sale contract transfer document must comply with regulations of the Minister of Construction. Contract transferors shall pay taxes and fees prescribed by the tax and fee laws.

**Article 124.** House purchase and sale prices, commercial house purchase and sale contract transfer prices

House purchase and sale prices or house purchase and sale contract transfer prices shall be agreed upon by parties and clearly stated in house purchase and sale contracts or commercial house purchase and sale contract transfer documents. In case the State has regulations on house purchase and sale prices, parties shall comply with such regulations.

**Article 125.** House purchase and sale with deferred payment or installment payment

1. House purchase and sale with deferred payment or installment payment shall be agreed upon by the parties and clearly stated in house purchase and sale contracts. During the period of deferred payment or installment payment, purchasers are entitled to use houses and responsible for maintaining such houses, except houses which remain in the warranty period in accordance with this Law or the parties agree otherwise.

2. Purchasers of houses on deferred payment or installment payment may conduct transactions of purchase and sale, donation, exchange, mortgage or contribution as capital of such houses with other parties only after making full payments for the houses, unless otherwise agreed by the parties.

In case the purchaser dies during the period of deferred payment or installment payment, his/her lawful heir may continue exercising the his/her rights and performing his/her obligations and be granted a certificate by a competent state agency after making full payments to the seller.

3. In case the purchaser wishes to return the purchased house during the period of deferred payment or installment payment and obtain consent of the seller, the two parties shall reach agreement on the method of returning the house and refund of the house payment.

**Article 126.** Purchase and sale of houses under common ownership

1. Sale of houses under common ownership must obtain written consent of all owners. In case an owner of a house does not agree to sell it, other owners may request a court to settle the case in accordance with law. Co-owners of a house have the preemptive right to buy such house. If co-owners do not buy the house under common ownership, such house may be sold to other persons.

In case a co-owner of a house has been declared missing by a court, other co-owners may sell the house. The house ownership value share of the missing person shall be handled in accordance with law.

2. In case a co-owner of a house sells his/her ownership share, other co-owners of the house have the preemptive right to buy it. Within 30 days after receiving a notice of sale of house ownership share and sale conditions, if no other co-owner buys it, such ownership share may be sold to another person. In case the pre-emptive purchase right is violated, the violator shall be handled in accordance with the civil law.

**Article 127.** Purchase and sale of houses currently on lease

1. In case an owner sells his/her house currently on lease, he/she shall notify in writing the lessee of the sale and sale conditions. The lessee has the preemptive right to buy the house if he/she has fully paid rental to the lessor by the time of notification of the sale by the lessor, except when the house is under common ownership. Within 30 days after receiving the notice, if the lessee does not buy the house, the owner may sell it to another person, unless the parties agree on another time limit.

2. The sale of state-owned houses currently on lease must comply with Section 2, Chapter VI of this Law.

**Article 128.** Prior purchase of houses

In case parties have signed a house purchase and sale contract but the State needs to buy such house for use for national defense or security purposes or in the national or public interest, the chairperson of the provincial-level People's Committee shall issue a decision on prior purchase of such house. The purchase price, conditions and payment method must comply with the agreements in the house purchase and sale contract signed by the parties. The State shall pay compensations for damage (if any) to the parties. The house purchase and sale contract signed by the parties must become legally invalid.

### Section 3

#### HOUSE LEASE

**Article 129.** House lease term and rental rates

1. The lessor and lessee may agree on the lease term and rental rate and payment method, installment or lump-sum payment. In case the State has regulations on house rent rates, the parties shall comply with such regulations.

2. In case a house lease contract has not yet expired but the lessor has renovated the house with the consent of the lessee, the lessor may adjust the house rent rate. The new rent rate shall be agreed upon by the parties. If they cannot reach agreement, the lessor is entitled

to unilaterally terminate the house lease contract and shall pay compensations to the lessee in accordance with law.

3. Their lawful rights and interests of lessors and lessees shall be protected by the State in the course of lease.

**Article 130.** Lease of houses under common ownership

1. The lease of a house under common ownership must obtain consent of all owners of such house, except where co-owners lease the house sections under their respective ownership.

2. Co-owners of a house may authorize their representative to sign the house lease contract.

**Article 131.** Cases of termination of house lease contracts

1. In case of lease of a state-owned house, the house lease contract may be terminated in one of the cases prescribed in Clause 1, Article 84 of this Law.

2. In case of lease of a house not under state ownership, the house lease contract may be terminated in one of the following cases:

a/ The contract expires. A contract with an indefinite term shall be terminated 90 days after the lessor notifies the lessee of the contract termination;

b/ The two parties agree to terminate the contract;

c/ The leased house no longer exists;

d/ The lessee dies or is declared missing by a court without anybody sharing the house;

dd/ The leased house is severely damaged or in danger of collapse or located in an area subject to a land recovery, house clearance or demolition decision issued by a competent state agency; the leased house is subject to compulsory purchase or requisition by the State for use for other purposes.

The lessor shall notify in writing the lessee of the termination of the lease contract prescribed at this Point 30 days before the termination, unless otherwise agreed by the parties;

e/ The contract is terminated under Article 132 of this Law.

**Article 132.** Unilateral termination of performance of house lease contracts

1. During the house lease term as agreed upon in the contract, the lessor may not unilaterally terminate the contract and recover the leased house, except the cases prescribed in Clause 2 of this Article.

2. The lessor may unilaterally terminate the house lease contract and recover the leased house in one of the following cases:

a/ The lessor has leased the house which is under state ownership or a social house not according to its/his/her competence, to an ineligible subject or without satisfying the conditions prescribed in this Law;

b/ The lessee has failed to pay rental as agreed upon in the contract for 3 or more consecutive months without plausible reasons;

c/ The lessee uses the house not for purposes agreed upon in the contract;

d/ The lessee breaks, expands, renovates or demolishes the leased house without permission;

dd/ The lessee exchanges, lends or sub-leases the leased house without consent of the lessor;

e/ The lessee causes disorder or environmental insanitation, seriously affecting the daily life of the neighborhood and fails to stop his/her act after having been warned in writing for the third time by the lessor, head of the residential quarter or chief of the village or hamlet;

g/ The case prescribed in Clause 2, Article 129 of this Law.

3. The lessee may unilaterally terminate the performance of the house lease contract when the lessor commits one of the following acts:

a/ Failing to repair the house when it is severely damaged;

b/ Increasing the house rent rate unreasonably or without notifying such in advance to the lessee as agreed upon;

c/ When the house use right is restricted by the interests of a third person.

4. Any party that unilaterally terminates the house lease contract shall notify the other party at least 30 days in advance, unless otherwise agreed upon by the parties. If violating this Clause and causing damage, the party unilaterally terminating the house lease contract shall pay compensation in accordance with law.

#### **Article 133.** The right to continue renting houses

1. In case the house owner dies while the house lease term has not expired, the lessee may continue renting the house until the expiration of the contract. The heir shall continue performing the previously signed house lease contract, unless otherwise agreed upon by the parties. In case the owner has no lawful heir in accordance with law, his/her house must belong to the State and the current lessee may continue renting the house in accordance with regulations on management and use of state-owned houses.

2. In case the house owner transfers the ownership of the house currently on lease to another person while the house lease term has not expired, the lessee may continue renting the house until the expiration of the contract, and the new house owner shall continue performing the previously signed house lease contract, unless otherwise agreed upon by the parties.

3. When the lessee dies while the house lease term has not expired, the person who lives together with the lessee may continue renting the house until the lease contract expires, except for lease of official-duty houses and otherwise agreed upon by the parties or prescribed by law.

### Section 4

#### RENT-PURCHASE OF SOCIAL HOUSES

#### **Article 134.** Procedures for rent-purchase of social houses

1. Rent-purchase of a social house shall be conducted under a contract having the contents prescribed in Article 121 of this Law. In case of rent-purchase of social houses constructed by organizations or individuals, rent-purchase contracts shall be signed between investors and lessees. In case of rent-purchase of state-owned social houses, the signing of rent-purchase contracts must comply with Point a, Clause 2, Article 83 of this Law.

2. Upon the expiration of the contractual rent-purchase term, if the lessee has fully paid the rental-purchase payment as agreed upon, the lessor shall carry out the procedures requesting a competent state agency to grant a certificate to the lessee, unless the latter voluntarily carries out such procedures.

#### **Article 135.** Rights and obligations of social house lessees

1. The lessees shall comply with Article 62 of this Law and perform other obligations as agreed upon in house rent-purchase contracts.



In case of termination of a house rent-purchase contract after the lessee receives the house, he/she shall return such house to the lessor and may be refunded the amount he/she has initially paid, except the case prescribed at Points e and h, Clause 1, Article 84, and Clause 2, Article 136, of this Law.

2. Where a lessee dies, the case shall be settled as follows:

a/ If his/her lawful heir(s) is living in that house, such lawful heir(s) may continue to rent-purchase that house, unless the lawful heir(s) voluntarily return(s) the house;

b/ If his/her lawful heir(s) is not living in that house and the lessee has lived in that house for two-thirds of the rent-purchase term, the lawful heir(s) is entitled to fully pay the amount for the remaining one-third of the rent-purchase term and be granted a certificate for such house by a competent state agency;

c/ If his/her lawful heirs do not meet the conditions prescribed at Points a and b of this Clause, the lessor may recover the house and the lawful heirs are entitled to refund of the amount initially paid by the lessee plus an interest calculated under regulations on inter-bank demand deposit interests at the time of refund;

d/ If the lessee has no lawful heir, the initially paid rent-purchase amount must belong to the State and the lessor may recover the house for signing a lease or lease-purchase contract with another person eligible for rent or rent-purchase of social houses in accordance with this Law.

**Article 136.** Cases of termination of rent-purchase contracts and recovery of social houses on rent-purchase

1. In case of rent-purchase of a state-owned social house, the rent-purchase contract may be terminated and the house may be recovered in one of the cases prescribed at Points a, b, c, e, g and h, Clause 1, Article 84 of this Law.

2. In case of rent-purchase of a social house not under state ownership, the lessor may terminate the rent-purchase contract and recover the house in one of the following cases:

a/ The lessee sub-leases or sells the house to another person within the rent-purchase term without permission;

b/ The lessee fails to pay rental for 3 or more months without any plausible reason;

c/ The lessee breaks, expands, renovates or demolishes the house;

d/ The lessee uses the houses not for the purpose as agreed upon in the rent-purchase contract;

dd/ The case prescribed at Point d, Clause 2, Article 135 of this Law;

e/ Other cases as agreed by the parties.

3. Lessees not prescribed in Clause 1 of this Article may terminate rent-purchase contracts according to the contractual agreements. In case they have received houses, they shall return such houses to the lessors.

## Section 5

### HOUSE DONATION

**Article 137.** Donation of houses under common ownership

1. The donation of a house under common ownership by integration must obtain written consent of all co-owners of such house.

2. In case of donation of a house under common ownership by shares, co-owners may only donate the house sections under their respective ownership without affecting lawful rights and interests of other co-owners. After receiving the donated house sections, new co-owners may not affect lawful rights and interests of other co-owners.

**Article 138.** Donation of houses currently on lease

1. The owner of a house currently on lease shall notify in writing the lessee of the house donation in advance.

2. The lessee is entitled to continue renting the house until the expiration of the lease contract signed with the donor, unless otherwise agreed by the parties.

Section 6

HOUSE EXCHANGE

**Article 139.** Exchange of houses under common ownership

1. The exchange of a house under common ownership by integration must obtain consent of all co-owners of the house.

2. In case of exchange of a house under common ownership by shares, co-owners of the house may exchange only the house sections under their respective ownership and guarantee not to affect lawful rights and interests of other co-owners. After receiving the exchanged house sections, new co-owners may not affect lawful rights and interests of other co-owners.

**Article 140.** Exchange of houses currently on lease

1. The owner of a house currently on lease shall notify in writing the lessee of the house exchange in advance.

2. The lessee is entitled to continue renting the house until the expiration of the lease contract signed with the former house owner, unless otherwise agreed by the parties.

**Article 141.** Payment of value difference

If the house and house ownership exchange entails a difference in the value of the house, the parties to the house exchange shall pay such value difference, unless otherwise agreed by the parties.

Section 7

HOUSE INHERITANCE

**Article 142.** Inheritance of houses under common ownership by integration

For a house under common ownership by integration, if an heir(s) is/are the surviving co-owner(s) of the house, this person or these persons is/are entitled to inherit such house by testament or law. If there is an heir who is not a co-owner of the house, such heir shall be paid the house value share he/she is entitled to inherit, unless otherwise agreed by the parties.

**Article 143.** Inheritance of houses under common ownership by shares

For a house under common ownership by shares, the house section of the estate leaver shall be divided to his/her testamentary or by-law heirs. If the house is sold for division of its value, the heirs must have the preemptive right to buy it. If the heirs do not buy the house, the other co-owners of the house must have the preemptive right to buy the inherited house section and pay the house's value to the heirs.

## Section 8

## HOUSE MORTGAGE

**Article 144.** House mortgagor and mortgagee

1. A house owner that is an organization may mortgage its house at a credit institution operating in Vietnam.

2. A house owner that is an individual may mortgage his/her house at a credit institution or an economic organization operating in Vietnam or to an individual in accordance with law.

**Article 145.** Mortgage of houses under common ownership

The mortgage of a house under common ownership must obtain written consent of all owners of such house, except the case of mortgage of a house under common ownership by shares. Owners of a house under common ownership by integration must be jointly responsible for performing the obligations of the house mortgagor prescribed in the Civil Code.

**Article 146.** Mortgage of houses currently on lease

1. An owner may mortgage his/her house currently on lease but shall notify in writing the lessee of the mortgage in advance. The lessee is entitled to continue renting the house until the expiration of the lease contract.

2. In case a house currently on lease is handled for the performance of the obligations of the house mortgagor, the lessee is entitled to continue renting the house until the expiration of the lease contract, unless he/she violates Clause 2, Article 132 of this Law or otherwise agreed by the parties.

**Article 147.** Mortgage of housing investment projects and mortgage of future houses

1. An owner of a housing investment project may mortgage its project or houses constructed under the project at a credit institution operating in Vietnam for loans for investment in the project or construction of such houses. In case an owner has mortgaged houses but still needs more capital for division of houses in accordance with the housing law or needs to sell or put for lease-purchase such houses, it shall get the mortgage of such houses released before signing capital raising, house purchase and sale or lease-purchase contracts with customers, unless otherwise agreed by the capital contributors, purchasers or lessees and mortgagee.

The certification that the house mortgage has been released before signing capital raising, house purchase and sale or lease-purchase contracts with customers under this Clause shall be clearly stated in the notice of satisfaction of the sale conditions of houses issued by the provincial-level housing management agency of the locality where the houses are located.

2. Organizations and individuals that construct future houses on their lawful residential land parcels; and organizations and individuals that purchase future houses under housing investment projects may mortgage such houses at credit institutions operating in Vietnam for loans to construct or purchase such houses.

**Article 148.** Conditions for mortgage of housing investment projects and mortgage of future houses

1. Conditions for mortgage of a housing investment project and mortgage of future houses are prescribed as follows:

a/ In case an owner mortgages part or the whole of its housing investment project, an approved project dossier and technical design and a certificate or land allocation or lease decision of a competent state agency are required;

b/ In case an owner mortgages future houses to be constructed under a project, such houses must, in addition to the conditions prescribed at Point a of this Clause, have their foundations completely built in accordance with the construction law and must not belong to the part of the project or to the project already mortgaged by the owner under Point a of this Clause;

c/ In case an organization or individual mortgage a house under Clause 2, Article 147 of this Law, it/he/she must have papers certifying its/his/her lawful residential land use rights as prescribed by the land law and a construction permit, in case such permit is required.

In case the mortgagor of a future house has purchased the house from an owner in a housing investment project, it/he/she must have a house purchase and sale contract signed with the owner or a house purchase and sale contract transfer document as prescribed if it/he/she acquires a house purchase and sale contract, and papers proving that that it/he/she has made payments for the house to the owner according to the schedule agreed upon in the house purchase and sale contract and there is no complaint, lawsuit or dispute over the house purchase and sale contract or transfer of such contract.

2. The mortgage of housing investment projects and mortgage of future houses may only be conducted in accordance with this Law. Cases of mortgage of property being housing investment projects or future houses in contravention of this Law must be legally invalid.

**Article 149.** Handling of mortgaged houses or housing investment projects

1. The handling of mortgaged houses, including handling of mortgaged future houses, must comply with this Law, the civil law and relevant laws.

2. The handling of mortgaged housing investment projects must comply with the civil law and relevant laws. Organizations and individuals that acquire such projects must satisfy all the conditions for acting as project owners prescribed in this Law and shall register with state agencies competent to assign projects in accordance with the law on real estate business.

## Section 9

### CONTRIBUTION OF HOUSES AS CAPITAL

**Article 150.** Conditions and procedures for contribution of houses as capital

1. House owners or owners of commercial housing projects are entitled to contribute houses as capital for participation in business activities in sectors not banned by law at such houses. The contribution of a house as capital shall be made under a contract which must have contents prescribed in Article 121 of this Law.

2. Houses to be contributed as capital must be ready-built houses and fully meet the conditions prescribed in Clause 1, Article 118 of this Law.

**Article 151.** Contribution as capital of houses under common ownership

1. The contribution as capital of a house under common ownership must obtain consent of all co-owners.

2. Co-owners of a house under common ownership shall jointly sign the contract on contribution of the house as capital or may agree in writing to appoint a representative to sign such contract.

**Article 152.** Contribution as capital of houses currently on lease

1. The owner of a house currently on lease shall notify in writing the lessee of the contribution as capital of such house in advance.

2. The lessee is entitled to continue renting the house until the expiration of the house lease contract signed with the capital contributor, unless otherwise agreed by the parties.

#### Section 10

##### LENDING OF HOUSES, PERMISSION FOR STAY AT HOUSES

**Article 153.** Lending of, and permission for stay at, houses under common ownership

1. The lending of, and permission for stay at, a house under common ownership by integration must obtain written consent of all co-owners of such house. For a house under common ownership by shares, co-owners may lend or permit stay at the house sections under their respective ownership without affecting the interests of other co-owners. A person lending his/her house is entitled to reclaim the house and a person permitting stay at his/her house is entitled to terminate the stay upon termination of the contract as prescribed in Article 154 of this Law and as agreed in the contract.

2. Co-owners of a house under common ownership may agree to authorize their representative to sign a contract on lending of, or permission for stay at, their house.

**Article 154.** Cases of termination of contracts on lending of or permission for stay at, houses

1. The period of lending of, or permitted stay at, the house has expired.
2. The house lent or permitted for stay no longer exists.
3. The person who borrows or stays at the house dies or is missing as declared by a court.
4. The house lent or permitted for stay is in danger of collapse or subject to ground clearance, demolition or land recovery under a decision of a competent state agency.
5. Under agreement of the parties.

#### Section 11

##### HOUSE MANAGEMENT AUTHORIZATION

**Article 155.** Contents and scope of house management authorization

1. House management authorization means that a house owner authorizes another organization or individual to exercise his/her rights and perform his/her obligations in the management and use of his/her house during the period of authorization. Management authorization is applicable only to ready-built houses.

2. The contents and period of house management and use authorization shall be agreed upon by the parties and stated in the authorization contract. If the parties reach no agreement on the authorization period, the authorization contract must be valid for one year after it is signed.

3. The house management authorizer shall pay management expenses, unless otherwise agreed by the parties.

**Article 156.** Authorized management of houses under common ownership

1. Authorization of management of a house under common ownership by integration must obtain written consent of co-owners of such house. Co-owners of a house under common ownership by shares may authorize other persons to manage the house sections under their respective ownership without affecting the interests of other co-owners.

2. Co-owners of a house under common ownership shall notify other co-owners of the house management authorization, unless the person authorized to manage the house is concurrently a co-owner of such house.

**Article 157.** Cases of termination of a house management authorization contract

1. The authorization contract has expired.
2. The authorization contents have been fulfilled.
3. The house subject to management authorization no longer exists.
4. The authorizer or authorized person unilaterally terminates the contract under Article 158 of this Law.
5. The authorizer or authorized person dies.
6. The authorized person is missing or has lost his/her civil act capacity under a decision of a court.
7. Under agreement of the parties.

**Article 158.** Unilateral termination of performance of house management authorization contracts

1. A house management authorizer may unilaterally terminate the house management authorization contract in the following cases:

a/ If the authorization incurs management expenses, the authorizer is not required to notify in advance the authorized person of the unilateral termination of performance of the authorization contract but shall pay the latter all management expenses for the work performed by, and pay damages to, the latter;

b/ If the authorization does not incur any management expenses, the authorizer shall notify the authorized person of the unilateral termination of the performance of the authorization contract at least 30 days in advance, unless otherwise agreed by the parties.

2. The authorized person may unilaterally terminate the contract in the following cases:

a/ If the authorization incurs management expenses, the authorized person is not required to notify the authorizer in advance of the unilateral termination of performance of the authorization contract, but shall pay damages to the authorizer (if any);

b/ If the authorization does not incur any management expenses, the authorized person shall notify the authorizer of the unilateral termination of performance of the authorization contract at least 30 days in advance, unless otherwise agreed by the parties.

3. The authorizer and authorized person shall notify a related third party of the unilateral termination of performance of the house management authorization contract.

## Chapter IX

### VIETNAM-BASED HOUSE OWNERSHIP OF FOREIGN ORGANIZATIONS OR INDIVIDUALS

**Article 159.** Subjects eligible to own Vietnam-based houses and forms of Vietnam-based house ownership of foreign organizations and individuals

1. Foreign organizations and individuals that are entitled to own houses in Vietnam include:

a/ Foreign organizations and individuals that invest in the construction of houses under projects in Vietnam in accordance with this Law and relevant laws;

b/ Foreign-invested enterprises, branches and representative offices of foreign enterprises, foreign investment funds and foreign bank branches that are operating in Vietnam (below collectively referred to as foreign organizations);

c/ Foreigners permitted to enter Vietnam.

2. Foreign organizations and individuals are entitled to own houses in the following forms:

a/ Investment in the construction of houses under projects in Vietnam in accordance with this Law and relevant laws;

b/ Purchase, rent-purchase, receipt of donation or inheritance of commercial houses, including condominium apartments and individual houses under housing investment projects, except those located in national defense and security maintenance areas stipulated by the Government.

**Article 106.** Conditions for foreign organizations and individuals to own houses in Vietnam

1. A foreign organization or individual prescribed at Point a, Clause 1, Article 159 of this Law must have an investment certificate and houses constructed under a project prescribed by this Law and relevant laws.

2. A foreign organization prescribed at Point b, Clause 1, Article 159 of this Law must have an investment certificate or papers proving it is permitted to operate in Vietnam (below collectively referred to as investment certificates) granted by a competent Vietnamese state agency.

3. A foreign individual prescribed at Point c, Clause 1, Article 159 of this Law is permitted to enter Vietnam and not entitled to diplomatic or consular immunities and privileges prescribed by law.

4. The Government shall stipulate in detail papers proving the eligibility of, and conditions for, foreign organizations and individuals to own houses in Vietnam.

**Article 161.** Rights of house owners being foreign organizations and individuals

1. Foreign organizations and individuals prescribed at Point a, Clause 1, Article 159 of this Law may exercise the rights of house owners prescribed in Article 10 of this Law. In case they construct houses on rented land, they are only entitled to lease such houses.

2. Foreign organizations and individuals prescribed at Points b and c, Clause 1, Article 159 of this Law have the rights of house owners like Vietnamese citizens but shall comply with the following provisions:

a/ They may only purchase, rent-purchase or receive as donation or inheritance, and own no more than 30% of the number of apartments in a condominium. For individual houses, including villas and semi-detached houses, in an area with a population equivalent to a ward-level administrative unit, they may only purchase, rent-purchase or receive as donation or inheritance and own no more than two hundred and fifty houses.

In case there are many condominiums in an area with a population equivalent to a ward-level administrative unit or individual houses in a street, the Government shall specify the number of apartments or individual houses which a foreign organization or individual may purchase, rent-purchase, receive as donation or inheritance and own.

b/ In case of receipt as donation or inheritance of houses not prescribed at Point b, Clause 2, Article 159 of this Law or in excess of the number prescribed at Point a of this Clause, they are only entitled to the value of such houses;

c/ Foreign individuals may only own houses as agreed in house purchase and sale or rent-purchase contracts or donation or inheritance transactions for no more than 50 years from the date they are granted the certificates and may enjoy extensions under regulations

of the Government if they so wish. The house ownership duration shall be clearly stated in the certificates.

A foreign individual who is married to a Vietnamese citizen or an overseas Vietnamese is entitled to own houses in a stable and long-term manner and have the rights of a house owner like Vietnamese citizens;

d/ Foreign organizations may own houses as agreed in house purchase and sale or rent-purchase contracts or donation or inheritance transactions within the term stated in their investment certificates, including also extended duration. The house ownership duration shall be counted from the date they are granted the certificates and clearly stated in such certificates;

dd/ Before the expiration of the house ownership duration prescribed in this Law, owners may donate or sell their houses to subjects eligible to own houses in Vietnam. Upon the expiration of the house ownership duration, if owners fail to sell or donate their houses, such houses must come under state ownership.

**Article 162.** Obligations of house owners being foreign organizations and individuals

1. Foreign organizations and individuals prescribed at Point a, Clause 1, Article 159 of this Law have the obligations of house owners prescribed in Article 11 of this Law.

2. Foreign organizations and individuals prescribed at Points b and c, Clause 1 of Article 159 of this Law have the obligations of house owners like Vietnamese citizens but shall comply with the following provisions:

a/ Foreign individuals are entitled to lease out their houses for use for purposes not banned by law but shall notify in writing the lease to the district-level housing management agency of the locality where their houses are located before the lease under regulations of the Minister of Construction, and pay taxes on house lease in accordance with law.

Foreign individuals that are married to Vietnamese citizens or overseas Vietnamese have the obligations of house owners like Vietnamese citizens;

b/ Foreign organizations are only entitled to use their houses as residences for their employees and may not use their houses for lease, as working offices or for other purposes;

c/ To make payments for house purchase or rent-purchase via credit institutions operating in Vietnam.

## Chapter X

### HOUSING INFORMATION SYSTEM AND DATABASE

**Article 163.** Housing information system

The housing information system consists of:

1. Housing information technology technical infrastructure;
2. Operating system software, system software and applied software system;
3. Housing database.

**Article 164.** Housing database

1. The housing database shall be uniformly developed and managed from the central to local level, and connected to the land database and information system.

2. The housing database includes:

- a/ A database on the system of legal documents on housing;



b/ A database on housing development, including housing development programs and plans, housing surveys and statistics, basic information on housing investment projects; number, types and areas of houses, and land areas for house construction;

c/ A database on developments related to the house management and use;

d/ Other related housing databases.

3. Once every 10 years, the Government shall organize a housing survey and collect housing statistics together with a national population census. In the interval between two national population and housing statistical surveys, the Government shall organize housing surveys and collect housing statistics in selected areas to serve as a basis for making housing policies.

4. Basic housing statistical indicators shall be included in the national set of general statistical indicators.

5. Funds for conducting housing surveys and collecting housing statistics shall be ensured by the state budget.

**Article 165.** Competence and responsibility to develop the housing information system and database

1. The Ministry of Construction shall develop, manage and operate the national housing information system and database; ministries, sectors and provincial-level People's Committees shall coordinate with one another in providing housing data for the Ministry of Construction to update on the national house information system.

2. Provincial-level People's Committees shall develop, manage and operate local housing information systems and databases, ensuring publicity and consistency between information on houses and information on residential land to which houses are attached.

3. The State shall allocate budgetary funds for investment in developing the house database and information system and their operation and maintenance; the Ministry of Construction shall propose the Prime Minister to decide on allocation of budgetary funds for the development, management, operation and maintenance of this system.

4. The Government shall stipulate in detail the development and structure of the database, information, statistical indicators and the management and operation of the housing database and information system.

**Article 166.** Management of, and access to, housing information and database

1. The housing database shall be strictly managed to ensure its effective operation and proper use.

2. Information on the housing database provided by competent agencies must have the same legal validity as paper dossiers and documents.

3. Agencies managing housing databases and information prescribed in Clause 4 of this Article shall create favorable conditions for organizations and individuals to exploit and use housing information according to the prescribed order and procedures.

Organizations and individuals that need housing information are entitled to be provided with such information and shall pay fees for information use as prescribed, except the case of provision of information at the request of competent state agencies to serve the state management work and investigation, verification and handling of violations.

4. The Ministry of Construction shall uniformly manage the housing database and information system nationwide. Provincial-level housing management agencies shall manage housing databases and information systems in their localities.

Chapter XI  
STATE MANAGEMENT OF HOUSING

**Article 167.** Contents of state management of housing

1. Formulating and directing the implementation of strategies, schemes, programs, and plans on housing development and management.
2. Promulgating legal documents on housing, mechanisms and policies for housing development and management, and organizing the implementation thereof.
3. Elaborating and promulgating house standards and technical regulations, classifying houses, and managing housing quality.
4. Deciding on investment policy for housing projects; appraising, approving, adjusting, and terminating the implementation of, housing investment projects.
5. Managing house dossiers; managing state-owned houses; managing housing investment projects.
6. Conducting surveys and collecting statistics, developing the housing database and information system; managing and operating the housing database and information system and providing housing data and information.
7. Researching and applying science and technology, and popularizing legal knowledge in the housing field.
8. Training and retraining human resources to meet housing development and management requirements.
9. Managing public housing services.
10. Recognizing institutions providing training and refresher courses on condominium operation management; granting certificates of training in condominium operation management; recognizing the grading of condominiums; granting and revoking certificates of professional training and retraining in the housing field.
11. Providing guidance on, urging, examining and inspecting the settlement of, and settling complaints, disputes and denunciations, and handling violations in the housing field.
12. Implementing international cooperation on housing.

**Article 168.** Formulation of national housing development strategies

1. Based on the national socio-economic development strategy for each period, the Ministry of Construction shall formulate national housing development strategies for each period and submit them to the Prime Minister for approval.
2. A national housing development strategy must have the following contents:
  - a/ Housing development viewpoints;
  - b/ Housing development objectives, including minimum housing area, per-capita housing area in urban areas, rural areas and nationwide; development rates for different types of house; demand for social housing areas for persons facing housing difficulties;
  - c/ Housing development tasks and solutions, clearly indicating target programs on housing development for each group of persons entitled to social housing policies;
  - d/ Responsibilities of central-level functional agencies and provincial-level People's Committees for housing development and management;
  - dd/ Other relevant contents.

3. Basic housing development targets in a national housing development strategy must include per-capita housing area; number of houses; floor area of houses to be constructed; house quality in urban centers, rural areas and nationwide; and subjects facing housing difficulties and entitled to state housing support shall be taken into account in national socio-economic development tasks in each period.

**Article 169.** Adoption and approval of housing development programs and plans

1. The adoption and approval of local housing development programs and plans are prescribed as follows:

a/ For centrally run cities, municipal People's Committees shall formulate housing development programs in accordance with Article 15 of this Law and send them to the Ministry of Construction for opinion before submitting them to People's Councils of the same level for adoption. Municipal People's Committees shall approve and organize the implementation of these programs after they are adopted by People's Councils of the same level.

Contents to be consulted with the Ministry of Construction must include land planning and arrangement for house construction and plans on arrangement of residences for each group of subjects; per-capita housing area target; number, area and rate of each type of houses to be constructed; expected investment funding sources; preferential mechanisms for housing development; and responsibilities of related agencies for the implementation of housing development programs;

b/ For provinces, provincial People's Committees shall formulate housing development programs under Article 15 of this Law and submit them to People's Councils of the same level for adoption;

c/ Based on approved housing development programs, provincial-level People's Committees shall make and approve local housing development plans in accordance with Article 15 of this Law. In case these plans require the use of budget sources for housing development, People's Councils of the same level shall be consulted on such plans before approval.

2. The order and procedures for formulation and contents of local housing development programs and plans must comply with regulations of the Government.

**Article 170.** Decision on investment policy on housing projects

1. For investment projects on construction of houses for resettlement, social houses or official-duty houses with public investment capital, before the formulation and approval of these projects, decision on investment policy shall be made in accordance with the Public Investment Law. For projects invested with central budget funds, appraisal opinions of the Ministry of Construction are required. For projects invested with local funding sources, appraisal opinions of provincial-level housing management agencies are required.

2. For other housing projects subject to investment policy decision as prescribed by the Investment Law, decision on investment policy shall be made in accordance with the Investment Law. For projects not subject to investment policy decision as prescribed by the Investment Law, approval of investment policy is required according to regulations of the Government.

**Article 171.** Dossiers of request for approval of investment policy on housing projects

1. For the case prescribed in Clause 1, Article 170 of this Law, in addition to a dossier of request for approval of investment policy prescribed in the Public Investment Law, papers prescribed at Points a and b, Clause 2 of this Article are also required.

2. For cases of decision on investment policy in accordance with the Investment Law, in addition to a dossier of request for approval of investment policy prescribed in the Investment Law, the following papers are also required:

a/ Written request for approval of investment policy on the housing project, clearly stating legal grounds, contents which need approval and reasons for request for approval;

b/ Detailed planning drawings of the project area approved by a competent state agency.

**Article 172.** Scientific and technological research and application and international cooperation in the housing field

1. The State shall adopt policies to encourage and facilitate scientific and technological research and application and international cooperation to serve housing development and management requirements.

2. The State shall provide financial support for the application of new technologies and materials in the construction of houses to ensure quality, progress, energy conservation and lower construction costs.

**Article 173.** Training and retraining in housing development and management

1. Civil servants and public employees engaged in housing development and management in different sectors and at different levels shall participate in training and refresher courses on housing development and management. Individuals participating in condominium management work or working in condominium operation management units shall participate in training and refresher courses on condominium operation management and must obtain certificates of training according to regulations of the Minister of Construction.

2. The Minister of Construction shall stipulate training and retraining programs and contents on housing development and management for civil servants and public employees engaged in housing management and development nationwide.

**Article 174.** State management agencies in charge of housing

1. The Government shall perform the uniform management of housing nationwide.

2. The Ministry of Construction must be answerable to the Government for performing uniform state management of housing nationwide.

3. Related ministries and sectors shall, within the ambit of their functions, tasks and powers, perform the state management of housing and coordinate with the Ministry of Construction in implementing the housing law.

4. People's Committees at all levels shall perform the state management of housing in their localities in accordance with this Law and as decentralized by the Government.

**Article 175.** Responsibilities of the Ministry of Construction

1. To assume the prime responsibility for formulating and submitting to the Government and Prime Minister legal documents, strategies, schemes, programs and plans on housing development.

2. To promulgate and implement legal documents on housing according to its competence; to develop house standards, technical regulations and classification criteria, methods of determination of rental rates, lease-purchase prices and sale prices of social houses, houses for resettlement and state-owned houses; to stipulate contents and model contracts on purchase and sale, lease or rent-purchase of social houses, houses for resettlement and state-owned houses.

3. To give opinions on housing development programs of centrally run cities; to appraise and submit to the Prime Minister plans of development of official-duty houses of central agencies, and appraise investment policy on housing projects; to adjust, or terminate the implementation of, housing investment projects for violations of this Law.

4. To manage houses, and archive dossiers of state-owned houses of central agencies.

5. To conduct surveys and collect statistics, develop the national housing database and information system, and organize the management, operation of such database and information system and provision of national housing data and information.

6. To organize scientific and technological research and application and dissemination of legal knowledge in the housing field.

7. To organize training and retraining in housing development and management; to recognize institutions providing training and retraining in condominium operation management; to regulate the grant of certificates of training in condominium operation management; to stipulate and recognize the grading of condominiums.

8. To provide guidance on, urge, monitor, inspect and examine the settlement of, and settle, complaints, disputes and denunciations, and handle violations in the housing field.

9. To implement international cooperation in the housing field.

10. To perform other tasks in the housing field prescribed in this Law or as assigned by the Government and Prime Minister.

#### **Article 176.** Housing inspection

1. Construction inspectorates of the Ministry of Construction and provincial-level Construction Departments shall perform the function of administrative inspection and specialized inspection of housing of organizations, households and individuals participating in the housing development, management and use.

2. Specialized inspection of housing covers:

a/ Inspection of law observance by organizations, households and individuals in housing development, management and use;

b/ Detection, prevention and handling of housing-related violations according to the competence of inspectorates or request competent state agencies to handle such violations.

3. The Ministry of Construction shall direct and organize specialized inspection of housing nationwide. Provincial-level Construction Departments shall organize specialized inspection of housing in their localities.

4. The Government shall detail this Article.

### Chapter XII

#### SETTLEMENT OF HOUSING-RELATED DISPUTES, COMPLAINTS AND DENUNCIATIONS AND HANDLING OF HOUSING-RELATED VIOLATIONS

##### Section 1

#### SETTLEMENT OF HOUSING-RELATED DISPUTES, COMPLAINTS AND DENUNCIATIONS

#### **Article 177.** Settlement of housing-related disputes

1. The State shall encourage disputing parties to settle their housing-related disputes through conciliation.

2. Disputes over ownership of or rights to use houses under ownership of organizations and individuals, disputes related to house contracts or condominium operation management contracts shall be settled by people's courts in accordance with law.

3. Disputes over management and use of state-owned houses shall be settled by provincial-level People's Committees, for houses assigned to local administrations for management. The Ministry of Construction shall settle disputes over houses assigned to central agencies for management. If disagreeing with decisions of provincial-level People's Committees or the Ministry of Construction, disputing parties may initiate lawsuits at people's courts in accordance with the administrative procedure law.

4. Disputes over funds for condominium operation management and over management and use of funds for maintenance of condominium sections under common ownership shall be settled by provincial-level People's Committees of localities where condominiums are located. If disagreeing with decisions of provincial-level People's Committees, disputing parties may initiate lawsuits at people's courts in accordance with the administrative procedure law.

**Article 178.** Housing-related complaints and denunciations and settlement thereof

1. The filing and settlement of complaints and denunciations related to housing development and management must comply with the Law on Complaints and the Law on Denunciations.

2. When decisions on settlement of complaints or denunciations are issued by competent state agencies in charge of housing or court judgments or decisions take legal effect, involved parties shall comply with such decisions or judgments.

## Section 2

### HANDLING OF HOUSING-RELATED VIOLATIONS

**Article 179.** Handling of housing-related violators

1. Persons who commit housing-related violations shall, depending on the nature and severity of their violations, be administratively handled or examined for penal liability in accordance with law.

2. Persons on official duty who commit the following violations shall, depending on the nature and severity of their violations, be administratively handled or examined for penal liability:

a/ Abusing their positions or powers to decide on investment policy on housing projects; appraise or approve housing projects; decide on or appraise house sale prices, rental rates, lease-purchase prices; implement housing support policies; determine housing-related financial obligations; manage and provide housing information in contravention of law and other provisions on housing development, management and transactions in this Law;

b/ Lacking management responsibility leading to violations of the housing law or committing other violations causing damage to the interests of the State and lawful rights and interests of organizations, households and individuals participating in housing development, and of house owners and lawful users;

c/ Violating regulations on the administrative order and procedures in the housing field, and regulations on reporting and statistics on housing development and management.

3. The Government shall detail this Article.

**Article 180.** Handling of violations of the housing law which cause damage to the State, organizations, households and individuals

Persons who commit violations of the housing law which cause damage to the interests of the State and lawful rights and interests of organizations, households and individuals shall, in addition to being handled under Article 179 of this Law, pay compensations for such damage.

### Chapter XIII

#### IMPLEMENTATION PROVISIONS

**Article 181.** Effect

1. This Law takes effect on July 1, 2015.

2. Housing Law No. 56/2005/QH11, which was amended and supplemented by Law No. 34/2009/QH12 and Law No. 38/2009/QH12, and Resolution No. 19/2008/QH12 of the National Assembly on pilot permission for foreign organizations and individuals to purchase and own houses in Vietnam, cease to be effective on the effective date of this Law.

**Article 182.** Transitional provisions

1. Housing investment projects approved before the effective date of this Law are not required to be re-approved in accordance with this Law, except those subject to adjustment of contents due to the State's adjustment of approved master plans or commercial housing investment projects which are required by this Law to reserve land areas for construction of social houses or social housing areas for lease.

Social housing development projects which are not included in local housing development programs and plans but on which investment policy has been approved may continue to be implemented in accordance with this Law.

2. Persons who have received commercial houses handed over by investors but have not yet submitted to competent state agencies dossiers of application for certificates for such houses by the effective date of this Law may transfer house purchase and sale contracts in accordance with this Law.

3. For condominiums for which management boards are established before the effective date of this Law, their owners may re-elect management boards to operate after the model prescribed in this Law or retain the existing management boards until the expiration of their term.

4. For cases in which house purchase and sale or lease contracts are signed before the effective date of this Law and contracting parties have agreed on house warranty periods or house areas for purchase and sale or lease-purchase which do not comply with the provisions of this Law, these parties may continue implementing the agreements in the signed contracts or reach new agreements in accordance with this Law.

5. The Government shall detail this Article.

**Article 183.** Detailing provision

The Government and competent agencies shall detail the articles and clauses of this Law as assigned to them.

This Law was passed on November 25, 2014, by the XIII<sup>th</sup> National Assembly at its 8<sup>th</sup> session.-

*Chairman of the National Assembly*  
NGUYEN SINH HUNG