

DECREE NO. 99/2015/ND-CP OF OCTOBER 20, 2015, ON GUIDELINES
FOR THE LAW ON HOUSING

THE GOVERNMENT

——SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom – Happiness

No. 99/2015/ND-CP Hanoi, October 20, 2015

DECREE

ON GUIDELINES FOR THE LAW ON HOUSING

Pursuant to the Law on Government organization dated December 25,
2001;

Pursuant to the Law on Housing dated November 25, 2014;

At the request of the Minister of Construction,

The Government promulgates a Decree on guidelines for the law on
housing.

Chapter I

GENERAL PROVISIONS

Article 1. Scope

This Decree provides guidelines for ownership, development, management and use of housing; housing-related transactions; and the roles of regulatory agencies in housing in Vietnam prescribed in the Law on Housing No. 65/2014/QH13 (hereinafter referred to as the Law on Housing).

The guidelines for social housing development; management and use of non-state-owned social housing; renovation and reconstruction of apartment buildings; construction, management and use of communication system of housing; sale, lease, and lease-purchase of commercial housing conducted by real estate enterprises or cooperatives; inspection and penalties for administrative violations in the field of housing shall be prescribed in other Decrees of the Government.

Article 2. Regulated entities

Domestic organizations, households, individuals, Vietnamese citizens residing overseas, foreign organizations and individuals involved in ownership, development, management, use, and transaction of housing in Vietnam.

Housing authorities.

Article 3. Local housing development programs/plans

People's Committees of central-affiliated cities and provinces (hereinafter referred to as provinces) are responsible for formulating and implementing local housing development programs/plans according to Article 15 and Article 169 of the Law on Housing.

Content of 5-year, 10-year, or longer local housing development programs (hereinafter referred to as long-term housing development program):

a) Evaluation of various types of houses (detached houses, apartment buildings), housing of local entities mentioned in Article 49 of the Law on Housing;

b) Analysis of result, drawbacks, causes, difficulties in housing development and management, land-use planning, and construction planning related to local housing development;

c) Demands for housing (quantity, categories, total construction area); demand for land area for housing of each area in the province, including demand for housing of entities that need support for housing improvement prescribed in Article 49 of the Law on Housing; demand for capital (state budget and other sources) to invest in housing construction.

dd) Criteria for housing development (housing area per capita; minimum floor area, quantity and floor area of new housing of each type, quality of urban and rural housing);

dd) Relation between housing development and urban development requirements in urban area;

e) Solutions for implementing the program, including specific policies on housing introduced by local governments, construction planning, allocation of land, and methods of investment in construction of housing, technological solutions for reduction of building costs, capital sources, incentives in terms of finance, land, plans for implementation of policies on social housing prescribed in Article 49 of the Law on Housing;

g) Progress of the program and responsibility of local agencies;

h) Relevant contents.

Content of 5-year and annual local housing development programs (hereinafter referred to as short-term housing development plan):

- a) Locations, areas of housing development; quantity of housing construction projects; quantity of housing, total floor area that need investment, 5-year and annual plans must be specified;
- b) Ratio of each type of housing (detaches houses, apartment buildings) that need investment; quantity, floor area of social housing that need investment every year and the next 5 years; floor area of social housing for lease must be specified;
- c) Expected housing area per capital in urban areas, rural areas, and in the whole province; minimum housing area;
- d) Land area for construction various types of housing (commercial housing, social housing, relocation housing, official residence) every year and the next 5 years; methods of investment in housing construction;
- dd) Sources of capital for development of housing; execution time of annual and 5-year plans
- e) Methods of implementation and responsibility of relevant local authorities for implementation the housing development plan;
- g) Relevant contents.

The People's Committee of the province must evaluate the implementation of the program/plan and make necessary revisions at the middle and at the end of each period.

In case the National Housing Development Strategy or local socio-economic development planning is revised, the People's Committee of the province must revise the housing development program and submit it to the People's Council for approval before ratification as prescribed in Article 169 of the Law on Housing.

The criteria of the housing development program, including housing area per capital, minimum housing area, housing quantity, total floor area of new housing, quality of housing in urban and rural areas, must be included in

the local socio-economic development tasks and be evaluated when such tasks are evaluated.

Article 4. Procedures for formulating local housing development programs/plans

Procedures for formulating long-term housing development program of each province:

- a) The Department of Construction of the province shall prepare outlines of the housing development program, including the program content, cost estimate, and plan for hiring consultancy unit, then submit the outlines to the People's Committee of the province for approval;
- b) After the outlines are approved by the People's Committee of the province, the provincial Department of Construction shall directly or hire a consultancy unit experienced in formulating housing development program to cooperate with relevant entities in the province and the People's Committees of districts in the province to survey, draft the program, and report to the People's Committee of the province;
- c) After the People's Committee of the province offers its opinion about the draft program, the Department of Construction shall complete the draft and submit it to the People's Committee of the province. Then the People's Committee of the province shall submit it to the People's Council of the same province for ratification. The People's Committees of central-affiliated cities must consult with the Ministry of Construction before submitting the draft program to the People's Councils of the same provinces for ratification;
- d) The People's Council of the province shall consider ratifying the local housing development program. After the program is ratified by the People's Councils of provinces, the People's Committee of the province shall approve and organize the implementation of the program.

Procedures for formulating long-term housing development program of each province:

a) Based on the local housing development program approved by the People's Committee of the province, the Department of Construction shall directly or hire a capable consultancy unit to cooperate with relevant agencies in the province in formulating short-term housing development plans, then submit them to the People's Committee of the province for approval. The People's Committees of districts and relevant agencies in the province have the responsibility to provide information about housing at the request of the Department of Construction, cooperate with the Department of Construction and the consulting unit in formulating the housing development plan.

If the plan contains regulations on use of state budget for housing development, the People's Committee of the province must consult with the People's Council of the same province about the plan for using budget before granting an approval;

b) Based on the housing development plan of the Department of Construction, the People's Committee of the province shall consider approving it and organize its implementation.

The People's Committee of the province must approve the annual housing development plan before December 31 of the year preceding the planned year, and approve the 5-year housing development plan before December 31 of the last year of the period.

After the housing development program and plans are approved, the People's Committee of the province must post them on its website and the website of the Department of Construction, provide funding from local budget to formulate housing development programs and plans in accordance with this Decree.

The Ministry of Construction shall provide guidance on funding for formulating local housing development programs and plans.

Chapter II

HOUSE OWNERSHIP

Article 5. Documents proving eligible house owners

Every domestic organization, household, or individual that applies for the Certificate of rights to use land, ownership of land and property on land (hereinafter referred to as Certificate) must submit ID documents according to regulations on issuance of certificates.

The applicant being a Vietnamese citizen residing overseas must submit the following documents:

- a) An unexpired Vietnamese passport that bears the entry seal of a Vietnam's immigration authority; or
- b) An unexpired foreign passport that bears the entry seal of a Vietnam's immigration authority together with documents proving the Vietnamese nationality or Vietnamese heritage issued by the Department of Justice of a province, an overseas Vietnam's diplomatic mission, or an authority in charge of management of overseas Vietnamese citizens, or other documents prescribed by Vietnam's law.

The applicant being a foreign organization or individual must submit documents proving their eligibility according to Article 74 of this Decree. In case a foreign individual submits documents proving his/her Vietnamese heritage, he/she has to choose between policies applied to Vietnamese

citizens residing overseas and policies applied to foreigners to determine his/her house ownership in Vietnam.

Article 6. Issuance of Certificate to house owner

Every domestic organization, household, individual, overseas Vietnamese citizens, foreign organization and individual that has documents proving the lawful establishment of housing as prescribed by the Law on Housing, regulations of law on real estate trading, and relevant regulations of law (including housing invested under construction planning approved by competent authorities in the projects mentioned in Clause 2 Article 17 of the Law on Housing), and documents proving their eligibility to own housing prescribed in Article 5 of this Article shall be granted the Certificate of ownership of such house.

In case a Vietnamese citizen residing overseas is not allowed to enter Vietnam and receives or inherits housing in Vietnam, he/she will not have the house ownership recognized and has to follow the regulations in Clause 2 through 5 of Article 78 of this Decree.

With regard to detached houses with two stories or more, each of which has two separate apartments or more (with separate rooms, kitchens, bathrooms), the floor area of each apartment is 30 m² or larger, and the house satisfy conditions of apartment buildings prescribed in Clause 2 Article 46 of the Law on Housing, each apartment will be granted a separate Certificate. In case the owner sells, lease under a lease-purchase agreement, gift, or bequeath his/her apartment to another organization, household, or individual that is eligible to own housing in Vietnam, the land use right associated with this housing shall be shared by the entities that have purchased, leased under a lease-purchase agreement, received, or inherited the apartments.

Apart from the information on the Certificate prescribed by regulations of law on land, the Certificate issuer must write the following information:

- a) Information about the house prescribed in Clause 3 Article 9 of the Law on Housing;
- b) Duration of house ownership, the right to sell, gift, bequeath, contribute the house as capital of the buyer according to the time-limited house purchase contract in the case mentioned in Article 123 of the Law on Housing, or duration of house ownership of the foreign organization or individual in Vietnam according to Article 161 of the Law on Housing, Article 7 and Article 77 of this Decree;
- c) In case of purchase of social housing prescribed in Clause 4 and Clause 5 Article 62 of the Law on Housing, the time limit for the owner to sell such social housing must be specified.

Procedures for issuing the Certificate to the owner must comply with regulations of law on land. The investor in the housing construction project has the responsibility to follow procedures for obtaining the Certificates for buyers and buyers/tenants of housing. In case a buyer or buyer/tenant wishes to follow the procedures themselves, the investor must provide documents related to the house to the buyer or buyer/tenant.

Article 7. House ownership duration

In case of limited house ownership duration prescribed in Article 123 of the Law on Housing, the seller and the buyer shall reach an agreement on the period of time over which the buyer owns the house, rights and obligations of the buyer during the house ownership period; responsibility to register and obtain the Certificate for the buyer; the handover of the house associated with land use right after the ownership period expires; disposal of the Certificate after the ownership period expires, and responsibility of the parties for execution of the house purchase contract. During the house ownership period, the buyer will be granted a Certificate of such house by revoking the seller' Certificate and granting it to the buyer, or write information on page 3 of the seller's Certificate and give it to the buyer.

In this case, the buyer and the seller shall reach an agreement that if the buyer is entitled to sell, gift, bequeath, or contribute the house as capital during the house ownership period, then the buyer, recipient, inheritor only owns the house for the period that was agreed by the initial buyer and the initial owner.

The foreign organizations mentioned in Point b Clause 1 Article 159 of the Law on Housing may own a quantity of housing not exceeding the limit written on their investment registration certificates. When the house ownership period written on the Certificate expires, if the owner wishes to have this period extended, the State shall consider granting an extension according to Article 77 of this Decree. If the investment registration certificate has an indefinite term, the Certificate granted to the owner will also have an indefinite term.

Clause 1 Article 8 of this Decree shall apply to the case a foreign organization goes bankrupt, is dissolved or shut down before the term of home-ownership expires, or has its certificate of investment or license to operate in Vietnam revoked by Vietnam's government. During the house ownership period, if the foreign organization is converted into a domestic organization through acquisition or capital transfer, it may acquire a long-term house ownership.

Foreigners mentioned in Point c Clause 1 Article 159 of the Law on Housing may own housing for up to 50 years from the date of issue of the Certificate. When the house ownership period written on the Certificate expires, if the owner wishes to have this period extended, the State shall consider granting an extension according to Article 77 of this Decree.

In case the foreign organization or individual sells or offers the house before the expiration of the ownership period, the buyer or recipient may own the house as follows:

a) If the house is sold or gifted to a domestic organization, household, individual, or a Vietnamese citizen residing overseas, the buyer or recipient will acquire a long-term ownership of the house;

b) If the house is sold to a foreign organization or individual eligible to own housing in Vietnam, the buyer or recipient may own the house for the remaining period. When this period expires, if the owner wishes to have this period extended, the State shall consider granting an extension according to Article 77 of this Decree.

c) The seller or giver must pay tax and other amounts to state budget as prescribed by Vietnam's law.

Article 8. Expiration of house ownership period

Upon the expiration of the house ownership period as agreed between the initial buyer and seller prescribed in Clause 1 Article 7 of this Decree, the house ownership and land use right shall be settled as agreed by both parties in the initial house purchase contract. If such agreement does not exist, the house ownership and land use right shall be transferred to the initial owner or his/her legal inheritor.

If the initial owner is an organization that goes bankrupt, is dissolved, or shut down, its housing shall be dealt with in accordance with regulations of law on bankruptcy, dissolution, or shutdown, and the house ownership shall be transferred to an eligible organization or individual as prescribed by regulations of law on bankruptcy, dissolution, or shutdown. While the house owner is being determined, the organization or individual managing the house shall keep managing it and must not sell, lease under a lease-purchase agreement, offer, bequeath, pledge, or contribute the house as capital. The house shall be transferred within 03 months from the day on which its owner is determined.

In case a foreign organization has its investment registration certificate or license to operate in Vietnam revoked by Vietnam's government, the owner must sell or offer the house to an entity eligible to own housing in Vietnam.

In case the initial buyer and seller mentioned in Clause 1 Article 7 of this Decree does not have an agreement on disposal of the Certificate upon the expiration of the house ownership period, the issuer of the Certificate shall revoke it from the current owner and issue it to the initial owner as prescribed in Clause 1 of this Article. If the Certificate cannot be retrieved, the issuer shall issue a decision to annul the Certificate issued to the current owner and reissue it to the initial owner. Procedures for issuing the Certificate shall comply with regulations of law on land.

Before the expiration of the house ownership period prescribed in Clause 2 and Clause 3 Article 7 of this Decree (including extended period prescribed in Article 77 of this Decree), the foreign organization or individual may directly or authorize another organization or individual to exercise their right to sell or gift the house under their lawful ownership as prescribed in Clause 4 Article 7 of this Decree. If the foreign organization or individual fails to sell or offer the house by the deadline, such house shall be passed into public ownership. The Department of Construction shall request the People's Committee of the province where the house is located to issue a decision on establishment of public ownership, expropriate the house, use it, sell it, or lease it out in accordance with regulations on management of state-owned houses.

In case a foreign individual is expelled from Vietnam or a foreign organization is forced to stop operating in Vietnam by a competent authority of Vietnam because of illegal use of housing under their ownership, the house shall be dealt with under a decision of a competent authority of Vietnam.

Chapter III

HOUSING DEVELOPMENT

Section 1: HOUSING CONSTRUCTION PROJECT

Article 9. Deciding or approving investment policies of housing construction project

Before planning a housing construction project prescribed in Clause 2 Article 17 of the Law on Housing, the investor must follow procedures to obtain a decision on or approval for investment policies as prescribed by this Decree.

If the housing construction is invested by the capital sources prescribed in Clause 3 Article 36 and Clause 1 Article 53 of the Law on Housing, documents, procedures, and the power to decide investment policies shall comply with the Law on Public Investment. The appraising authority must consult with the Ministry of Construction if the project is funded by central government budget, with the Department of Construction of the province where project is located if the project is funded by provincial government budget.

If the Minister of Construction decides the investment policies of the housing construction project as prescribed by the Law on Public Investment, the Ministry of Construction shall appraise the project before issuing the decision.

In case of investment in housing that does not belong to the projects prescribed in Clause 2 of this Article but belong to projects prescribed in Point a Clause 1, Clause 2 Article 31, and Point a Clause 1, Clause 2 Article 32 of the Law on Investment, documents, procedures, and the

power to decide investment policies shall comply with the Law on Investment. The appraising authority must consult with the Ministry of Construction if the investment policies are decided by the Prime Minister, with the Department of Construction of the province where project is located if the investment policies are decided by the People's Committee of the province.

With regard to construction of housing other than that mentioned in Clause 2 and Clause 3 of this Article, investment policies must be sent to the Ministry of Construction for appraisal and submitted to the Prime Minister for approval in the following cases:

- a) The project uses an area of 100 hectares or larger, or less than 100 hectares but has 2,500 houses or more (including villas, detached houses, apartments) in non-urban area;
- b) The project uses an 50 hectares or larger, or less than 50 hectares but has 2,500 houses or more in an urban area;
- c) The project is located in multiple provinces regardless of land area.

With regard to construction of housing other than that mentioned in Clause 2, Clause 3, and Clause 4 of this Article, the People's Committee of the province must consult with the People's Council of the same province before approving the investment policies in the following cases:

- a) The project's area is from 20 hectares to less than 100 hectares and has fewer than 2,500 houses in a non-urban area;
- b) The project's area is from 10 hectares to less than 50 hectares and has fewer than 2,500 houses in a non-urban area;
- c) The project is located in an area where development is restricted or a historical urban area (according to planning schemes) of special-class urban areas, regardless of land area of the project.

In cases other than those mentioned in Clause 2 through 5 of this Article, investment policies are subject to approval by the People's Committee of the province.

Article 10. Documents and procedures deciding or approving investment policies of housing construction project

In the cases mentioned in Clause 2 and Clause 3 Article 9 of this Decree, apart from the contents subject to approval prescribed by regulations of law on public investment and investment, the following information must be added:

- a) Area for growing paddy, protective forests, specialized forests to be repurposed serving the housing construction project (if any);
- b) Ratio and quantity of housing types (apartments, villas, detached houses); total floor area of housing;
- c) Construction of technical, social infrastructure, public parking area and parking area for households and individuals residing in the project area;
- d) Land area dedicated to construction of social housing and housing for lease prescribed by the Law on Housing; plan for management or transfer of infrastructural works of the project to the local government after the construction in complete;
- dd) Responsibility of the local government and investor for execution of the project and construction of social infrastructure, unless social infrastructure is already available in the project area.

In the cases mentioned in Clause 4 through 6 Article 9 of this Decree, the application for approval for investment policies consists of:

- a) Legal documents of the unit assigned as investor, including documents licensing real estate trading, documents proving their legal status, financial capacity, experience. If no investor is chosen, it is required to report the method of investor selection and conditions for being selected as an investor;
- b) A written request for approval of the investment policies of the housing construction project which specifies the legal basis and contents that need

approving as prescribed in Clause 2 Article 11 of this Decree; reasons for requesting approval, and documents proving the conformity with the project with the approved local housing development program/plan;

c) The decision to approve the planning enclosed with a detailed drawing of the area where the project is located which is approved by a competent authority;

d) Contents of the approved local housing development program/plan related to the execution of the project.

Procedures for approving investment policies of a housing construction project prescribed in Clause 4 through 6 Article 9 of this Decree:

a) In the case mentioned in Clause 4 Article 9 of this Decree, the Department of Construction shall send documents to the People's Committee of the province for it to request the Ministry of Construction to appraise the project. If the project uses land for growing paddy, protective forests, or special forest, the People's Committee of the province must also consult with the Ministry of Natural Resources and Environment. After appraising, the Ministry of Construction shall request the Prime Minister to grant approval for the investment policies.

The time limit for appraising the project and requesting the Prime Minister to approve the investment policies is 30 days from the day on which the Ministry of Construction receives sufficient documents from the People's Committee of the province. The time limit for the Ministry of Natural Resources and Environment to offer its opinions (if any) is 15 days from the day on which satisfactory documents are received;

b) In the case mentioned in Clause 5 Article 9 of this Decree, the Department of Construction shall send documents to the People's Committee of the province for it to consult with the People's Council of the same province before approving investment policies;

c) In the case mentioned in Clause 6 Article 9 of this Decree, the Department of Construction shall appraise the project and send a request to the People's Committee of the province for issuance of a written approval for investment policies.

After investment policies are decided or a written approval for investment policies of the housing construction project is granted by a competent authority, the People's Committee of the province shall direct the investment preparation and project execution as prescribed by law.

Article 11. Contents of the decision on investment policies or approval for investment policies

In the cases mentioned in Clause 2 and Clause 3 Article 9 of this Decree, apart from the contents subject to approval prescribed by the Law on Public Investment, the Law on Investment, the competent authority must also decide the project's name as prescribed in Point a Clause 2 and Clause 1 Article 10 of this Decree.

In the cases mentioned in Clause 4 through 6 Article 9 of this Decree, the written approval for investment policies shall contain:

a) The project's name in Vietnamese language. If the investor in a commercial housing construction project wishes to give it a foreign name, the Vietnamese name must be written first and the name in foreign language later;

b) The investor's name (if selected);

c) Location, boundary, land area of the project; area for growing padding, protection forests, specialized forests converted to be used for the project (if any);

d) Purposes of the project; investment method;

dd) Primary contents of the project (tasks, quantity of each type of housing to be built; total floor area, execution plan);

- e) Total investment; capital sources;
- g) Methods of allocating land, leasing out land, transferring land use right (if any); land area for building social housing, housing for lease; compulsory floor area of housing for lease;
- h) Infrastructural works under the management of the investor or transferred to the State after the construction is complete;
- i) Schedule and progress of the project; investment stages (if any);
- k) Mechanism for support, incentives provided for the project by the State and requirements (if any); responsibility of the investor and local government for project execution;
- l) Effective period of the written approval for investment policies.

The Ministry of Construction shall specify procedures for applying for approval for investment policies, template of the application and approval for investment policies in the cases mentioned in Clause 4 through 6 Article 9 of this Decree.

Article 12. Contents of housing construction project documents

Every housing construction project mentioned in Clause 2 Article 17 of the Law on Housing must have a description that specifies:

- a) The project's name conformable with Point a Clause 2 Article 11 of this Decree;
- b) Necessity and legal basis of the project;
- c) Purposes, investment method, location, scale of the project; demand for land; natural conditions in the project area;
- d) Solutions: Plan for compensation for land clearance and relocation (if any); construction technology plan; applied construction standards and regulations; environmental impact assessment; fire safety and firefighting

plan; solutions for technical infrastructure and connection with common infrastructure of the area; use of social infrastructure in the area;

dd) Public parking area and parking area for households and individuals residing in the project area after the housing construction is complete (including bicycles, vehicles for the disabled, motorcycles, and cars);

e) Area dedicated for development of social infrastructure (kindergartens, schools, healthcare, sports, entertainment, parks), unless it is already available in the project area;

g) Quantity and ratio of various types of houses (including detached houses, apartments), total housing floor area; land area dedicated to construction of social housing or floor area of social housing (if any); consumption plan (quantity of housing for sale, for lease, or lease-purchase);

h) Proposed mechanisms applied to the project in terms of planning, construction density, finance, and others;

i) Total investment, capital sources, methods of raising capital, ability to repay, recoup investment;

k) Responsibility of State for investment in technical infrastructure outside and through the project;

l) Project schedule (according to each stage) and project management method;

m) Construction works transferred to the State without compensation; works or areas under the management of the investor after the construction is complete;

n) Plan for management, operation of the project and public works thereof (organization model, operation method, and fees to be charged).

The fundamental design of the projects mentioned in Clause 2 r 17 of the Law on Housing shall comply with regulations of law on construction.

In case of housing construction in an area put up for auction as prescribed in Point a Clause 1 Article 18 of this Decree, the successful bidder must make, appraise, approve, and execute the housing construction project in accordance with the Law on Housing and this Decree. In case the investor wishes to divide the project's land area into smaller lots for sale (land use right), regulations of law on land and relevant regulations of law must be complied with.

Article 13. Planning, appraising, and approving housing construction project

Every housing construction project funded by the capital sources mentioned in Clause 3 Article 36 and Clause 1 Article 53 of the Law on Investment (other than official residence projects mentioned in Clause 2 of this Article) shall be planned, appraised, and approved in accordance with regulations of law on public investment and construction. The Ministry of Construction shall offer its opinions if the project is subject to approval by the Prime Minister; the Department of Construction shall offer its opinion if the project is subject to approval by the People's Committee of the province.

If the housing construction project is subject to approval by the Ministry of Construction as prescribed by the Law on Public Investment, the Ministry of Construction shall appraise it before granting approval.

Official residence projects shall be planned, appraised, and approved in accordance with Article 23 of this Decree.

The housing construction projects other than those mentioned in Clause 1 and Clause 2 of this Article shall be planned, appraised, and approved in accordance with regulations of law on construction.

Each investor in the housing construction projects mentioned in Clause 2 through 5 Article 9 of this Decree other than those subject to approval by

the Ministry of Construction must send 01 set of project documents to the Ministry of Construction for monitoring and inspection.

Article 14. Housing construction projects under build-transfer (BT) contracts

Based on the construction planning, the Department of Construction has the responsibility to compile a list of housing construction projects under BT contracts, including social housing, relocation housing, criteria for selecting BT investors to be reported to the People's Committee of the province and posted on its website and the website of the Department of Construction for qualified investors to register.

Investors in housing construction projects under BT contracts:

- a) Clause 2 Article 38 of the Law on Housing shall apply to investors in relocation housing;
- b) Article 57 of the Law on Housing shall apply to investors in social housing.

The selection of the BT investor in a housing construction project shall comply with regulations of law on bidding if it is participated by 02 investors or more. Direct contracting shall apply if it is participated by only one investor. The Department of Construction shall assist the People's Committee of the province in the investor selection process prescribed in this Clause. If the project is subject to approval by the Prime Minister, the People's Committee of the province shall follow procedures for requesting the Prime Minister to decide or approve investment policies before selecting a BT investor.

After the investor selection result is available, the Department of Construction shall request the People's Committee of the province to consider signing the BT contract or authorizing the Department of Construction to do so. The BT investor has the responsibility to formulate a detailed planning on a scale of 1 : 500 and submit it to a competent

authority for appraisal and approval, plan, appraise, and approve the housing construction project as prescribed in Article 13 of this Decree.

After the housing construction project under a BT contract is completed and accepted, the investor has the responsibility to transfer such house to the Department of Construction for management and operation.

The investor shall be paid in accordance with effective regulations of law.

Article 15. Execution of housing construction project

Investors in housing construction projects must comply with regulations of the Law on Housing, this Decree, and regulations of law on construction when investing in housing construction.

Investors must invest in a comprehensive technical and social infrastructure system according to the approved project content and schedule. If social infrastructure has to be built according to the decision to approve the project or written approval for investment policies issued by a competent authority, it is required to adhere to the approved project content, schedule and the written approval.

Article 16. Completion of construction of housing construction project

When the construction is complete, the investor in the housing construction project must:

Report the result to the Department of Construction of the province where project is located; submit another report to the Ministry of Construction if the housing construction project is subject to approval by the Prime Minister.

Complete and retain the documents as prescribed by the Law on Housing, this Decree, and regulations of law on construction.

Examine and accept the housing work, technical and social infrastructure of the project in accordance with regulations of law on construction.

Transfer the technical and social infrastructure to the local government or regulatory bodies according to the approved project content, or manage such infrastructure themselves according to the decision on investment policies or approval for investment policies. Housing shall only be transferred to users after the housing work and social infrastructure of the project are allowed to be put into operation in accordance with regulations of law on construction.

Make a terminal financial statement as prescribed by regulations of law on finance.

Follow procedures to obtain the Certificates for owners of houses/apartments of the project as prescribed by the Law on Housing, this Decree, and regulations of law on land.

Cooperate with the local government in resolving administrative issue within the project area.

Operate the works that are not transferred the local government or regulatory bodies.

Perform other tasks prescribed by law.

Article 17. Management of area dedicated to detached houses of housing construction projects

The investor has the responsibility to manage the external architecture of detached houses, the use and maintenance of the technical and social infrastructure serving the owners and users of detached houses of the project in accordance with the approved content of the project.

The investor may divide and name the areas dedicated to detached houses, which are separated in the project. With regard to social housing and relocation housing construction projects, the areas must be named in

Vietnamese language. With regard to commercial housing construction projects, the projects and areas therein must be named in accordance with Clause 3 Article 19 of the Law on Housing and specified in the decision on or approval for investment policies (if any) or approved by the People's Committee of the province (if they are not subject to approval for investment policies).

After the houses are transferred and put into operation, the investor may establish a housing management board which is responsible for the maintenance of external architecture of housing, cultivation of trees and gardens, maintenance of utilities and technical infrastructure of the housing area, except for the infrastructure system that has been already transferred to the State or put under the management of the investor. The housing management board consists of representatives of the house owners and users in the area and representative of the investor (if any).

The owners and users of housing in the detached house area shall hold meetings to elect a housing management board, ratify the operating regulations and term of the board, the rules and regulations on management and use of the housing area, contribution to cover payment for participants in the board, cultivation of trees and garden, maintenance of utilities in the housing area.

The first election of the housing management board shall be chaired by the investor and the next by the housing management board or the investor as authorized by the board. In case the owners and users fail to elect a housing management board, the investor is responsible for management of this housing area according to the approved content of the project.

The investor may provide additional funding for cultivation of trees and gardens, maintenance of utilities and technical infrastructure of the housing area. The tasks mentioned in this Clause shall be performed by the investor or a qualified unit hired by the housing management board.

Section 2: DEVELOPMENT OF COMMERCIAL HOUSING

Article 18. Procedures for selection of investor in commercial housing construction project

If land is allocated or leased out by the State to build housing, the investor shall be selected as follows:

a) In an area where land clearance and compensation has been complete, the investor shall approve the method of land use right auction. Time and procedures for the auction shall comply with regulations of law on land and auction.

In case the area of land put up for auction has been planned for building housing under a project, the bidders for land use right in this area must satisfy the requirements for being an investor in the project according to Article 21 of the Law on Housing, Clause 2 Article 119 of the Law on Land, and regulations of law on real estate trading; the successful bidder must plan, appraise, approve, and execute the project in accordance with Articles 12, 13, 15, 16, and 17 of this Decree;

b) In an area where land clearance and compensation is not complete, the investor shall approve the bidding method if there are multiple qualified bidders register according to Article 21 of the Law on Housing. If there is only one qualified bidder according to Article 32 of the Law on Housing, such bidder shall be appointed as investor. The Department of Construction shall assist the People's Committee of the province in organizing bidding to select investors in housing construction projects as prescribed in this Point. The time and procedures for selection of bidder in the housing construction project shall comply with regulations of law on bidding;

c) The People's Committee of the province shall decide the selection of investor in the cases mentioned in Point a and Point b of this Clause.

In case an organization, household, or individual has a lawful land use right in accordance with housing construction planning, land use planning approved by a competent authority, satisfy conditions for being an investor prescribed in Article 21 of the Law on Housing, and wishes to participate in housing construction, the Department of Construction shall carry out an inspection and request the People's Committee of the province to decide whether to appoint such entity as the investor.

The time limit for investor selection is 30 days from the day on which the Department of Construction receives the registration.

In case the project is subject to approval by the Prime Minister according to Clause 4 Article 9 of this Decree, the People's Committee of the province shall follow procedures to obtain the Prime Minister's approval for investment policies in accordance with Article 10 and Article 11 of this Decree before selecting the investor. In the case mentioned in Clause 5 Article 9 of this Decree, the Department of Construction must request the People's Committee of the province to grant an approval for investment policies before selecting the investor.

The Ministry of Construction shall provide guidance on legal documents for registration of investor and procedures for investor selection prescribed in this Article.

Article 19. Conclusion of contract for raising capital for development of commercial housing

The contract for raising capital for development of commercial housing shall be concluded in accordance with Clauses 2, 3, and 4 of Article 69 of the Law on Housing. Any capital raising contract concluded against regulations of Article 68 and Article 69 of the Law on Housing and this Article shall not be legally recognized and the investor shall face penalties and has to pay damages to capital contributors.

The conclusion of contract for raising capital for development of commercial housing must comply with the regulations below:

a) In case of conclusion of a capital raising contract prescribed in Clause 2 Article 69 of the Law on Housing, the methods, conditions in the Law on Housing and regulations of Clause 3 of this Article shall apply.

The capital contributors, cooperators, partners mentioned in this Point shall receive distribution of profit (in money or shares) according to their contribution ratio in the contract. The investor must not apply the capital raising method in this Point or other capital raising methods to distribute housing products, give priority to buy houses, pay deposits, or obtain the right to buy houses, or distribute land use right of the project to the capital contributors, except for contribution of capital for establishment of a new legal entity to be appointed by the State as investor in the housing construction project.

b) In case of conclusion of a contract to purchase, lease, or lease-purchase off-the-plan housing in which the buyer, tenant, or buyer/tenant has to pay in advance according to Clause 3 Article 69 of the Law on Housing, the conditions and methods for purchase, lease, lease-purchase of off-the-plan housing prescribed by regulations of law on real estate trading must be complied with.

The investor must send an application to the Department of Construction of the province in which the house is located together with documents proving that the house satisfies conditions for being sold or leased under a lease-purchase agreement according to Clause 1 Article 55 of the Law on Real estate trading. In case the project, the house to be sold or leased under a lease-purchase agreement is mortgaged, the investor must send documents proving the mortgage redemption or the agreement between the buyer/tenant and the creditor that the redemption is not required and such house is available for sale/lease-purchase. If the project or housing is not mortgaged, the investor must specify their commitment to take responsibility in the report sent to the Department of Construction.

Within 15 days of receipt of the application from the investor, if the application is satisfactory, the Department of Construction shall send a written notice that the house satisfies conditions for being sold or leased out (under a lease-purchase agreement) to the investor. If the application is not satisfactory, the Department of Construction shall send an explanation. If the Department of Construction does not send any notice after the aforesaid deadline, the investor may sign contracts for sale, lease-purchase of off-the-plan housing and take responsibility for such contracts. The Department of Construction is responsible for the fact that the notice is sent or not sent after the investor's application is received.

After the Department of Construction sends a notice that the house satisfies conditions for being sold or leased under a lease-purchase agreement but the investor mortgages it instead of selling it or leasing it under a lease-purchase agreement, it may only be sold or leased under a lease-purchase agreement after mortgaging if it satisfies all conditions and obtains a notice from the Department of Construction as prescribed in this Point;

c) In case the investor takes a loan from a credit institution, financial institution, or issues bonds to raise additional capital necessary for housing construction, the conditions in the loan contract or regulations on bond issuance must be satisfied.

Capital for housing construction mentioned in Point a Clause 2 of this Article must be raised via a capital contribution contract or investment cooperation contract or business cooperation contract; the investor may only conclude such contracts if all of the following conditions are satisfied:

a) The housing construction project documents have been approved as prescribed by law;

- b) The land clearance has been complete according to the approved project schedule;
- c) A note on the project's landmarks has been issued;
- d) The Department of Construction of the province where the project is located has issued a notice of satisfied conditions for capital raising. The investor must send an application together with documents proving satisfaction of conditions for capital raising prescribed in Points a, b, and c of this Clause to the Department of Construction.

Within 15 days of receipt of the investor's application, if the application is satisfactory, the Department of Construction shall send a written notice of satisfied conditions to the investor. If the application is not satisfactory, the Department of Construction shall send an explanation. If all conditions for raising capital prescribed in Points a, b, and c of this Clause have been satisfied and the investor does not receive a notice from the Department of Construction after the aforesaid deadline, the investor may sign capital raising contracts and take responsibility for such contracts. The Department of Construction is responsible for the fact that the notice is sent or not sent after the investor's application is received.

The entity raising capital mentioned in Clause 1 and Clause 2 of this Article must use the raised capital for construction of housing of the project. Investors are prohibited to raise an amount of capital that exceeds the advance paid by customers as prescribed by law. Any investor that uses the raised capital for improper purposes, appropriate raised capital, or raises an amount of capital that exceeds the advance paid by customers must return the excessive amount, pay damages, face administrative penalties or criminal prosecution as prescribed by law.

The Ministry of Construction shall provide specific guidance on raising capital as prescribed in Clause 2 and Clause 3 of this Article.

Section 3: DEVELOPMENT OF OFFICIAL RESIDENCES

Article 20. Plan for development of official residences

Official residence development plan shall be made and approved in accordance with regulations in Clause 3 Article 27 of the Law on Housing.

The official residence development plan shall contain quantity and categories of housing (detached houses, apartments); total usable housing area; locations, area for investment in housing construction or quantity, categories of commercial housing to be purchased or leased as official residences; capital sources, methods of raising capital for construction, purchase, or lease of commercial housing as official residences; annual and 5-year investment periods; plan implementation schedule; responsibilities of the leading agency and cooperating agencies.

The central agencies mentioned in Point a Clause 3 Article 27 of the Law on Housing shall determine the demand for official residences using the forms provided by the Ministry of Construction, and send them to the Ministry of Construction for verification. After verifying the demand for official residences, the Ministry of Construction shall formulate the official residence development plan and submit it to the Prime Minister for approval.

The Ministry of National Defense, the Ministry of Public Security shall formulate their own official residence development plans and send them to the Ministry of Construction. After obtaining the opinions of the Ministry of Construction, the Ministry of National Defense and the Ministry of Public Security shall request the Prime Minister to approve the plans.

The Department of Construction of each province shall take charge and cooperate with competent authorities within the province in formulating the provincial official residence development plan and submit it to the People's Committee of the province for approval and submit a report to the Ministry of Construction.

The Ministry of Construction shall provide instructions on procedures for determination of demand for official residences and approval for official residence development plans.

Article 21. Method of investment in construction of official residences

The State shall make direct investment from state budget, including central government budget and local government budgets in construction of official residences or purchase of commercial housing as official residences.

The provision of capital from state budget for construction of official residences or purchase of commercial housing as official residences must comply with official residence development plans, projects for construction of official residences or purchase of commercial housing as official residences approved by competent authorities in accordance with regulations of law on state budget and public investment.

Article 22. Procedures for selection of investor in official residence construction project

The Ministry of Construction shall propose investors in projects for construction of official residences to be rented by central agencies (except for those mentioned in Point d Clause 1 Article 32 of the Law on Housing) subject to approval by the Prime Minister to the Prime Minister.

Within 30 days from the receipt of the proposal of the Ministry of Construction, the Prime Minister shall issue a decision on investor selection or authorizes the Ministry of Construction to select the investor.

The Ministry of National Defense and the Ministry of Public Security shall decide investors in projects for construction of official residences to be rented by the entities mentioned in Point d Clause 1 Article 32 of the Law on Housing subject to approval by the Ministry of National Defense or the Ministry of Public Security respectively.

Within 30 days from the receipt of the investor's application, the Minister of National Defense or the Minister of Public Security shall issue a decision on investor selection.

In case of an official residence construction project subject to approval by the People's Committee of a province, the investor in which shall be selected as follows:

a) The Department of Construction shall submit the decision on investor selection to the People's Committee of the province or authorize the People's Committee of the district to select the investor if authorized by the People's Committee of the province;

b) Within 30 days from receipt of the proposal of the Ministry of Construction, the People's Committee of the province shall issue a decision on investor selection or authorize the People's Committee of the district to select the investor. Within 30 days from the receipt of the letter of authorization from the People's Committee of the province, the People's Committee of the district must issue a decision on investor selection.

The investor in the official residence construction project mentioned in Clause 1, Clause 2, or Clause 3 of this Article may be an organization, state agency, or real estate enterprise.

The Ministry of Construction shall provide specific instructions on document and procedures for selecting real estate enterprises as investors in official residence construction projects.

Article 23. Planning, appraising, approving official residence construction project

Official residence construction projects shall be planned, appraised, and approved in accordance with the Law on Housing, this Decree, and regulations of law on construction.

The Ministry of Construction shall plan, appraise, and submit projects decided by the Prime Minister as prescribed in Point a Clause 2 Article 28 of the Law on Housing to the Prime Minister for approval, or directly approve them if authorized by the Prime Minister.

The Ministry of National Defense or the Ministry of Public Security shall plan, appraise, and submit projects decided by the Ministry of National Defense or the Ministry of Public Security respectively, and reach an agreement with the Ministry of Construction before submitting them to the Prime Minister for approval. After the Prime Minister grants an approval, the Ministry of National Defense or the Ministry of Public Security shall ratify the project.

The Department of Construction shall plan, appraise, and submit projects decided by the People's Committee of the province as prescribed in Point c Clause 2 Article 28 of the Law on Housing and submit them to the People's Committee of the province for approval.

In case of construction of housing intended to be rented by the persons sent to work in a district and the persons mentioned in Points c, dd, e, and g of Clause 1 Article 32 of the Law on Housing, the People's Committee of the province may authorize the People's Committee of such district to approve the project.

Article 24. Purchase of commercial housing as official residences

If the existing commercial houses in the area is not adequate and there are commercial houses whose quality, type and standards are suitable for being used as official residences according to regulations of law on construction, the competent authorities mentioned in Clause 2 Article 28 may purchase them as official residences.

Commercial housing shall be purchased as official residences as follows:

- a) If the houses/apartments are intended to be rented by central agencies (except for those mentioned in Point d Clause 1 Article 32 of the Law on Housing), the Ministry of Construction shall cooperate with the Ministry of Finance in planning the project and submit it to the Prime Minister for approval or approves it themselves if authorized by the Prime Minister;
- b) If the houses/apartments are intended to be rented the entities mentioned in Point d Clause 1 Article 32 of the Law on Housing, the Ministry of National Defense or the Ministry of Public Security shall plan the project, reach an agreement with the Ministry of Construction, the Ministry of Finance, the Ministry of Planning and Investment before submit it to the Prime Minister for approval; after the Prime Minister grants an approval, the Ministry of National Defense or the Ministry of Public Security shall ratify the housing purchase project;
- c) If the houses/apartments are intended to be rented by local entities, the Department of Construction shall cooperate with the Department of Finance of the province in planning the project and submit it to the People's Committee of the province for approval;
- d) The project for purchase of commercial housing as official residences shall specify the locations, types and quantity of houses/apartments, usable area of each type, prices, relevant costs, capital sources, methods of payment, contracting agency, managing agency, and responsibilities of relevant agencies for the project execution.

Procedures for purchasing commercial housing as official residences:

- a) Depending on the approved project content, the agency appointed as investor in the purchase project shall conclude a house purchase contract

with the investor in the housing construction project in accordance with regulations on trade in commercial housing;

b) According to the concluded house purchase contract, the investor in the housing construction project shall transfer the houses/apartments and provide related legal documents to the buyer;

c) After receiving the houses/apartments, the investor in the purchase project shall manage and lease them out in accordance with the Law on Housing and this Decree;

d) The Investor in the commercial housing construction project shall follow procedures for obtaining the Certificates for the buyer. In the case mentioned in Point a Clause 2 of this Article, the Ministry of Construction, the Ministry of Construction shall be the holder of the Certificates. IN the case mentioned in Point b Clause 2 of this Article, the Ministry of National Defense shall be the holder of the Certificates of the houses/apartments purchased by the Ministry of National Defense, the Ministry of Public Security shall be the holder of the Certificates of the houses/apartments purchased by the Ministry of Public Security. In the case mentioned in Point c Clause 2 of this Article, the People's Committee of the province or the Department of Construction (if authorized by the People's Committee of the province) shall be the holder of the Certificates.

Procedures for issuance of Certificates to the authorities mentioned in this Point shall comply with regulations of law on land.

Article 25. Leasing commercial housing as official residences

If the existing commercial housing in the area is not adequate and there are commercial houses whose quality, type and standards are suitable for being used as official residences, the competent authorities mentioned in Clause 2 Article 28 of the Law on Housing may lease such house as official residences.

Commercial housing shall be leased as official residences as follows:

- a) If the houses/apartments are intended to be rented by central agencies (except for those mentioned in Point d Clause 1 Article 32 of the Law on Housing), the Ministry of Construction shall cooperate with the Ministry of Finance in submitting a proposal to the Prime Minister for consideration;
- b) If the houses/apartments are intended to be rented the entities mentioned in Point d Clause 1 Article 32 of the Law on Housing, the Ministry of National Defense or the Ministry of Public Security shall reach an agreement with the Ministry of Finance before submitting a proposal to the Prime Minister for approval; after the Prime Minister grants an approval, the Ministry of National Defense or the Ministry of Public Security shall decide the lease;
- c) If the houses/apartments are intended to be rented by local entities, the Department of Construction shall cooperate with the Department of Finance of the province in submitting a proposal to the People's Committee of the province for approval;
- d) The housing lease proposal shall specify the locations, types and quantity of houses/apartments, usable area of each type, rents, lease term, relevant costs, capital sources, agencies responsible for paying the rents, contracting agency, and managing agency.

According to the approval of the competent authority mentioned in Clause 2 of this Article, the assigned managing agency shall conclude a lease contract with the owner of the commercial housing, then conclude lease contracts with the tenants of official residences and take responsibility for their management. The lease contract with the owner shall be concluded in accordance with regulations on leasing commercial housing; the lease contracts with tenants of official residences shall be concluded as instructed by the Ministry of Construction.

Section 4. DEVELOPMENT RELOCATION HOUSING

Article 26. Method of investment in construction of relocation housing

The construction of relocation housing shall be carried out in the following manner:

The State uses the capital sources prescribed in Clause 3 Article 36 of the Law on Housing to build or purchase commercial housing as relocation housing.

The State invests in the construction of housing under BT contracts as prescribed in Article 14 of this Decree.

Investors in commercial housing construction projects or industrial park infrastructure projects shall invest in construction of relocation housing in accordance with Clause 3 and Clause 4 Article 35 of the Law on Housing.

Article 27. Selection of investor in relocation housing construction project

Investors in relocation housing construction projects are the organizations mentioned in Clause 2 Article 38 of the Law on Housing.

Such investors shall be selected as follows:

- a) The Ministry of Construction shall propose investors in housing construction projects funded by the capital sources mentioned in Clause 3 Article 36 of the Law on Housing to serve the projects and works of national importance to the Prime Minister or authorize the Minister of Construction to select the investor;
- b) The Department of Construction shall propose investors in the housing construction projects funded by the capital sources mentioned in Clause 3 Article 36 of the Law on Housing other than those mentioned in Point a of this Clause to the People's Committee of the province;

c) With regard to housing construction projects funded by capital sources other than those mentioned in Clause 3 Article 36 of the Law on Housing and subject to Clause 3 Article 36 of this Decree, the investor shall be the investor in the commercial housing construction project or industrial park infrastructure project. In other cases, the investor shall be selected through bidding. In case of housing construction under a BT contract, the investor shall be selected in accordance with Article 14 of this Decree.

In case a real estate enterprise is selected as investor in the relocation housing construction project, the application for registration as investor shall be as follows:

a) With regard to housing construction projects funded by the capital sources mentioned in Clause 3 Article 36 of the Law on Housing, the application is the same as the case of selection of investor in an official residence construction project;

b) With regard to housing construction projects funded by the capital sources other than those mentioned in Clause 3 Article 36 of the Law on Housing, the application is the same as the case of selection of investor in a commercial housing construction project.

Procedures for selection of investor in a relocation housing construction project:

a) In the case mentioned in Point a Clause 2 of this Article, the Ministry of Construction shall examine the applications and request the Prime Minister to decide or authorizes the Ministry of Construction to decide;

b) In the case mentioned in Point b Clause 2 of this Article, the Department of Construction shall examine the applications and request the People's Committee of the province to decide;

c) In case of bidding mentioned in Point c Clause 2 of this Article, Point b Clause 1 Article 18 of this Decree shall apply; in case of housing construction under a BT contract, Article 14 of this Decree shall apply;

d) The time limit for selecting an investor mentioned in Point a and Point b of this Clause is 30 days from the day on which satisfactory applications are received. In the case mentioned in Point c of this Clause, the time limit shall comply with regulations of law on bidding (if held) or procedures for selection of BT investor (if applicable).

Article 28. Purchase of commercial housing and use of social housing as relocation housing

The purchase of commercial housing and use of social housing as relocation housing must comply with Article 35 and Article 39 of the Law on Housing and the plan for compensation, support, and relocation approved by a competent authority.

In an area in which commercial housing has to be used as relocation housing as prescribed in Clause 1 and Clause 2 Article 35 of the Law on Housing:

a) The unit in charge of arranging relocation housing shall determine the location of the commercial housing to be purchased, discuss the purchase plan with the investor and formulate a purchase plan which specifies the legal documents of the housing construction project, locations, quantity, area of each type of housing, expected purchase prices, completion schedule, and submit a report to the Ministry of Construction if the project is available.

Within 30 days from the receipt of the report, housing purchase plan, and legal documents of the project from the unit in charge of arranging relocation housing, the Department of Construction shall cooperate with finance, environment and natural resources authorities of the province in appraising the plan and submit it to the People's Committee of the province for approval;

b) The prices of commercial housing to be used as relocation housing shall depend on the market prices at that time, inclusive of land levies. In case the leading agency and cooperating agencies fail to reach a consensus on the housing prices, an independent valuation unit may be hired to determine the prices. The cost of hiring such unit shall be included in the cost of commercial housing purchase;

c) Within 15 days from the day on which the People's Committee of the province approves the housing purchase plan, the unit in charge of arranging relocation housing shall sign a house purchase contract with the investor in the commercial housing construction project as prescribed in Article 41 of the Law on Housing;

d) After the contract is signed, such unit shall request the relocated households and individuals to conclude house purchase contracts in accordance with Article 31 of this Decree.

In case social housing is used as relocation housing as prescribed in Clause 1 and Clause 2 Article 35 of the Law on Housing:

a) Any relocated person who wishes to purchase, lease, or lease-purchase social housing shall submit an application to the People's Committee of the district where he/she resides;

b) The People's Committee of the province shall verify the fact the such person has not received any compensation from the State in the form of housing or residential land, compile a list of persons in need of relocation enclosed with their applications, and send the list to Departments of Construction for examination;

c) After examining, the Department of Construction shall compile a list of households and individuals eligible to purchase, lease, lease-purchase social housing, and send it to the People's Committee of the province for approval. In consideration of local social housing supply and demand for social housing of relocated people, the People's Committee of the province shall decide whether to approve the list;

d) The Department of Construction shall send the list approved by the People's Committee of the province to the People's Committees of districts in order to notify relevant households and individuals; request the investors social housing construction projects, in writing, to conclude housing purchase, lease, lease-purchase contracts with the households and individuals on the list.

The contract conclusion and transfer of commercial housing or social housing to serve relocation shall comply with Article 31 of this Decree.

Article 29. Capital for development of relocation housing

Capital for Point of relocation housing shall be raised in the manners prescribed in Article 72 of the Law on Housing.

If the capital sources prescribed in Clause 3 Article 36 of the Law on Housing are used, capital shall be provided in accordance with regulations of law on public investment and state budget.

In case of housing development under BT contracts, Article 14 of this Decree shall apply.

If capital is raised from compensation or support for relocation when the State withdraws land, regulations of law on land shall apply; if Land development fund is used, the People's Committee of the province shall decide.

If capital is raised in the form of capital contribution, investment cooperation, business cooperation, joint venture, or association, the parties must conclude a capital contribution contract or investment cooperation contract or business cooperation contract. The capital contributors under such contract shall receive distribution of profits (in money or shares) according to their amount of contributed capital under the contract, except for the cases in which the house owners participate in capital contribution, investment cooperation, business cooperation to dismantle the house/building and investment in construction of relocation housing as

prescribed by the Law on Housing and regulations of law on renovation, reconstruction of apartment buildings.

If the State advances capital from state budget to invest in construction or purchase of relocation housing:

- a) According to the compensation, support, relocation plan approved by a competent authority, the Department of Construction shall plan the distribution of houses/apartments for each relocation housing construction project, including the case of relocation serving execution of local projects of national importance, then submit a report to the People's Committee of the province;
- b) According to the approved relocation housing distribution plan and the investor's request, a competent authority shall decide whether to advance capital from the local government budget for the investor to commence the project;
- c) The investor in the relocation housing construction project shall repay the advance by selling, leasing houses/apartments to relocated households and individuals under lease-purchase agreements, or deduct the advance from the compensation provided for households and individuals when the State withdrew land and remove their houses within 60 days from the day on which payment for purchase or lease-purchase of housing is collected or compensation for relocation is provided.

Chapter IV

MANAGEMENT AND USE OF HOUSING

Section 1: MANAGEMENT AND USE OF RELOCATION HOUSING

Article 30. Conditions for leasing, lease-purchasing, purchasing relocation housing

The following entities may lease, lease-purchase, purchase relocation housing:

- a) Households and individuals whose lawful houses had to be removed when the State withdraws land to execute a project serving national defense and security purposes, national interest, or public interest which is approved by a competent authority;
- b) Households and individuals whose land and houses thereon are withdrawn by the State and have to relocate but are not eligible for land compensation as set out in regulations of law on land and have no other residences;
- c) Households and individuals who own apartments in apartment buildings that must be dismantled for renovation or reconstruction as set out in Article 110 of the Law on Housing.

Conditions for leasing, lease-purchasing, purchasing relocation housing:

- a) Any entity specified in Point a and Point b Clause 1 of this Article that wishes to purchase commercial housing, to lease, lease-purchase, or purchase relocation housing invested by the State must be on the list of relocated entities under the compensation, support, and relocation plan approved by a competent authority and file an application for provision of relocation housing using the form provided by the Ministry of Construction.
- b) Any entity specified in Point a and Point b Clause 1 of this Article that wishes to lease, lease-purchase, or purchase social housing must be on the list of relocated entities under the compensation, support, and relocation plan approved by a competent authority, file an application for provision of social housing for relocation using the form provided by the Ministry of Construction, provided they have not received any compensation from the State in the form of housing or residential land.
- c) The entities mentioned in Point c Clause 1 of this Article shall be provided with relocation housing in accordance with Article 115 and Article

116 of the Law on Housing and regulations of law on renovation and reconstruction of apartment buildings.

Article 31. Conditions for leasing, lease-purchasing, purchasing relocation housing

In case of purchase of commercial housing set out in Point a Clause 1 Article 41 of the Law on Housing:

- a) The unit appointed by the State to provide relocation housing shall conclude a house purchase contract with the investor in the commercial housing construction project. The conclusion of the house purchase contract shall comply with regulations on commercial housing trading;
- b) Within 10 days from the day on which the house purchase contract with the investor is concluded, the unit appointed by the State to provide relocation housing must send a notification to each relocated household and individual as set out in Article 30 of this Decree, and directly conclude house purchase contracts with them;
- c) As set out in the house purchase contract with the investor in the commercial housing construction project, the unit appointed by the State to provide relocation housing shall receive the houses from the investor and transfer them to the aforementioned households and individuals, or authorize the investor to do so. The transfer of housing must comply with agreements in the contract when the conditions for transferring houses set out in Clause 4 Article 16 of this Decree, regulations of law on real estate trading are satisfied, and made into a record enclosed with legal documents related to the houses transferred.

In case of purchase of commercial housing set out in Point b Clause 1 Article 41 of the Law on Housing:

- a) The unit appointed by the State to provide relocation housing shall conclude an order contract with the investor in an commercial housing construction project;

b) Within 10 days from the day on which the house purchase contract is concluded, the unit appointed by the State to provide relocation housing must send a notification to each relocated household and individual set out in Article 30 of this Decree, and directly conclude house purchase contract with the investor in the commercial housing construction project. The house purchase contract shall be concluded in accordance with instructions of the Ministry of Construction;

c) Pursuant to the concluded house purchase contract, the investor in the commercial housing construction project shall transfer houses to households and individuals who purchase them. The transfer of houses must be transferred in accordance with agreements in the contract when the conditions for transferring houses set out in Clause 4 Article 16 of this Decree, regulations of law on real estate trading are satisfied, and made into a record enclosed with legal documents related to the houses transferred.

In case social housing is used as relocation housing, pursuant to the notification of the People's Committees of districts mentioned in Clause 3 Article 28 of this Decree, relocated households and individuals shall directly sign lease, lease-purchase, and purchase contracts with the investor in the social housing construction project. The transfer of houses must comply with agreements in the contracts, provisions of Clause 4 Article 16 of this Decree, and made into a record certified by the unit appointed by the State to provide relocation housing which is enclosed with legal documents related to the houses purchased or leased under a lease-purchase agreement.

In case of purchase, lease, lease-purchase of relocation housing invested by the State, households and individuals on the relocation list shall, according to the compensation, support, and relocation plan approved by a competent authority, sign purchase, lease, lease-purchase contracts with the investor in the housing construction project. The transfer of such houses must comply with agreements in the contracts when the conditions for transferring houses set out in Clause 4 Article 16 of this Decree are satisfied and made into a record, which is enclosed with legal documents

related to the houses purchased or leased under a lease-purchase agreement.

In case of provision of relocation housing set out in Clause 3 and Clause 4 Article 35 of the Law on Housing, according to the approved compensation, support, and relocation plan, relocated households and individuals shall sign house purchase contract with the project investor. The conclusion of house purchase contracts must comply with regulations on commercial housing trading. The transfer of houses must comply with agreements in the contract when the conditions for transferring houses set out in Clause 4 Article 16 of this Decree, regulations of law on real estate trading are satisfied, and made into a record enclosed with legal documents related to the houses purchased.

Investors in housing construction projects mentioned in Clause 1 through 5 of this Article must follow procedures for obtaining Certificates for households and individuals who purchased houses or leased houses under a lease-purchase agreement for relocation, unless they voluntarily follow the implementation themselves. Procedures for obtaining Certificates are specified in regulations of law on land.

The Ministry of Construction shall provide the forms of purchase, lease, and lease-purchase contracts mentioned in Point b Clause 1 and Clause 2 through 4 of this Article.

Article 32. Purchase, lease, lease-purchase prices for relocation housing

Relocated households and individuals that wish to purchase housing of a relocation project or commercial housing as relocation housing, their prices shall be specified in the compensation, support, and relocation plan approved by a competent authority.

Relocated households and individuals that wish to lease, lease-purchase housing for relocation invested by the State or purchased by the State for lease or lease-purchase, their prices shall be determined in accordance with instructions of the Ministry of Construction.

Relocated households and individuals that wish to use social housing as relocation housing, their prices shall be determined in accordance with Article 60 and Article 61 of the Law on Housing and regulations of law on management and use of social housing.

Article 33. Management and use of relocation housing

The management and use of relocation housing is provided for below:

- a) Owners of relocation housing have the responsibility to manage, operate, and maintain their houses in accordance with the Law on Housing, this Decree, and relevant regulations of law;
- b) Apartment buildings must comply with regulations on management and use of apartment buildings. Their owners must pay fees for maintenance of shared areas of apartment buildings in accordance with the Law on Housing and this Decree, fees for apartment building operation, and service charges as agreed with service providers;
- c) State-owned houses must comply with regulations in Chapter V of this Decree; social housing must comply with regulations on management and use of social housing;
- d) Housing in rural areas must ensure hygiene, environmental safety, fire safety, comply with regulations on civilized lifestyles, maintenance of infrastructural works in residential areas.

Running business in apartment buildings:

- a) Where some apartments or floors of a commercial apartment building are purchased as relocation housing, relocated households and individuals may bid for the use of the business area in the apartment building (if any), provided their bids are equal to that submitted by other entities in such apartment building.

b) Where an apartment building is built for relocation, the investor must provide at least 1/3 of its business area for relocated households and individuals (if demanded) through bidding in an open and transparent manner in order to create employments for them. The revenue from the business area, after deducting reasonable prices, may be used by the People's Committee of the province to cover the maintenance of shared area and part of the costs of operating local relocation housing;

c) The management and operation of housing set out in Point a and Point b of this Clause shall comply with the Statute on management and use of apartment buildings promulgated by the Ministry of Construction.

Section 2: MANAGEMENT AND USE OF VILLAS AND APARTMENT BUILDINGS

Article 34. Classification, management, and use of villas

Villas are divided into 3 groups:

a) Group 1 villas are those ranked as historical, cultural sites according to regulations of law on cultural heritage; villas having architectural values, and ancient houses determined by a Council specified in Clause 2 Article 79 of the Law on Housing and approved by the People's Committee of the province;

b) Group 2 villas are villas other than those specified in Point a of this Clause that have architectural, historical, cultural values determined by a Council specified in Clause 2 Article 79 of the Law on Housing and approved by the People's Committee of the province;

c) Group 3 villas are villas other than those specified in Point a and Point b of this Clause.

The management, use, maintenance, and renovation of villas must:

- a) comply with provisions of the Law on Housing; for state-owned villas, comply with regulations on management and use of state-owned houses; for houses having artistic, historical, cultural values, comply with regulations of law on management of cultural heritage;
- b) for group 1 villas, maintain the outer architecture and inner structures, construction density, number of stories, and height;
- c) for group 2 villas, maintain the outer architecture;
- d) for group 3 villas, comply with regulations of law on planning, architecture, and construction.

Article 35: Prohibited acts in management and use of apartment buildings

Using the funding for management, operation, and maintenance of shared area against provisions of the Law on Housing, this Decree, and the Statute on management and use of apartment buildings promulgated by the Ministry of Construction.

Causing permeation or leakage; make noise beyond the limits specified by law; discharging garbage, wastewater, exhaust gases, toxic substances against regulations of law on environmental protection or internal regulations on management and use of the apartment building.

Breeding animals in the apartment building.

Painting, decorating the outer sides of the apartments of apartment building against regulations on its design and architecture.

Repurpose the share area of the apartment building without permission; repurpose the non-residential area in the apartment building against the designed approved by a competent authority.

The following business lines are prohibited in the business area of an apartment building:

a) Explosive, combustible materials, and business lines that endanger life and property of users of the apartment building as set out in regulations of law on fire safety;

b) Discotheque business; repair of motor vehicles; slaughtering, provision of services causing pollution as set out in regulations of law on environmental protection.

Restaurant, karaoke, and bar business must ensure noise isolation, fulfillment of fire safety requirement, have emergency exits, and conformity with other business conditions prescribed by law.

Any other prohibited acts related to management and use of apartment buildings specified in Article 6 of the Law on Housing.

Article 36. Transferring fees for maintenance of shared areas of apartment buildings having more than one owners

Buyers, buyer/tenants, investors must pay 2% of the fee for maintenance of shared area of the apartment building as set out in Article 108 of the Law on Housing. This funding is tax-free. The investor must open a payment account at a credit institution operating in Vietnam to receive funding from buyers, buyer/tenants of apartments or other areas in the apartment building. When opening such account, the investor must specify that the account is intended to receive fees for apartment building maintenance and this is a term deposit account.

The investor must write the account specified in Clause 1 of this Article in the contracts to purchase, lease-purchase apartments or other areas in the apartment building with customers (including account number, account name, and name of the credit institution where the account is opened). Before receiving the house, the buyer, buyer/tenant must pay 2% of the fee for maintenance to the account written on the contract, or to the investor for

transferring to the account. If the investor transfers the apartment or area without collecting the fee, the investor shall pay this fee.

With regard to the area that is not sold or yet to be sold or leased out under a lease-purchase agreement when the apartment building is put into operation, the investor shall pay the 2% maintenance fee to the management board of the apartment building to the account specified in Clause 1 of this Article if such area is subject to payment of 2% maintenance fee.

After the management board is established and issue a written request for transfer of maintenance fee under the temporary management of the investor, and the management board makes a statement of the maintenance costs, the investor shall transfer the maintenance fees in accordance with regulations of law on housing to the management board by wire transfer. The account for management of maintenance fees of the management board and procedures for transferring fees for maintenance of shared area of the apartment building to the management board shall comply with the Statute on management and use of apartment buildings promulgated by the Ministry of Construction.

After the maintenance fees are transferred to the management board, the investor shall submit a report to the Department of Construction of the province in which the apartment building is located.

Article 37. Procedures for enforcing transfer fees maintenance of shared areas of apartment buildings

Where the investor does not transfer the maintenance fees as set out in Article 36 of this Decree or does not transfer them sufficiently or on schedule:

a) The management board shall request the People's Committee of the province in which the apartment building is located, in writing, to request

the investor to transfer the fees for maintenance of shared area in accordance with Article 36 of this Decree;

b) Within 15 days from the day on which the request of the management board is received, the People's Committee of the province shall carry out an inspection. If the parties have made a statement of maintenance fees as set out in Clause 4 Article 36 of this Decree but the investor has not transferred the maintenance fees, the People's Committee of the province shall request the investor, in writing, to transfer the fees to the management board. Within 07 days from the day on which the written request of the People's Committee of the province is received, the investor must transfer the maintenance fees.

If the parties have not made a statement of maintenance fees, they must make it and transfer maintenance fees to the management board within 10 days from the day on which the written request of the People's Committee of the province is received.

The transfer of fees for maintenance of shared area of an apartment building must be made into a record certified by the investor and representative of the management board. After the fees are transferred, the investor must send a notification to the People's Committee of the province.

c) In case the investor fails to transfer maintenance fees by the deadline set out in Point b of this Clause, the People's Committee of the province shall consider issuing a decision to enforce the transfer of fees which will be provided for the management board and send the decision to the investor, management board, and credit institution where the investor's account is opened. The decision must specify the amount of funding to be provided by the investor after deducting the cost of maintenance of shared area, deadline, enforcement measures, and responsibilities of relevant parties for implementation of this decision;

d) Enforcement measures include compelling the investor to transfer fees from the investor's account mentioned in Clause 1 Article 36 of this Decree or from another investor's account to the account held by the management board, or liquidating the investor's property. The enforcement of provision of fees for maintenance of shared area of the apartment building shall be carried out within 30 days from the day on which the decision on enforcement is issued. The fees to be transfer include the principal and interest of the maintenance fees according to the figures stated by the parties. Where a party does not concur with such figures, those written on the decision on enforcement issued by the People's Committee of the province shall apply;

d) Within 03 days from the day on which the decision on enforcement is received, the credit institution managing the investor's deposit account shall, according to the decision on enforcement, transfer the fees to an account opened by the management board. In case the investor's property has to be liquidated to collect the maintenance fees, the People's Committee of the province must specify in the decision on enforcement the liquidation measures, responsibilities of liquidating unit, and method of transferring collected amounts to the management board.

During the course of enforcement, if the investor is found committing criminal offences, the People's Committee of the province shall request a competent authority to conduct an investigation and handle the case in accordance with law.

The transfer of fees for maintenance of shared area of an apartment building must be made into a record certified by the investor and representative of the management board. In the case mentioned in Clause 1 of this Article, it is required to have a certification by the enforcing party and representative of the credit institution which transfers the funding or representative of the liquidating unit (if investor's property is liquidated).

Chapter V

MANAGEMENT AND USE OF STATE-OWNED HOUSES

Section 1: GENERAL PROVISIONS

Article 38. Rules for management and use of state-owned houses

Ensure that state-owned houses are used for right purposes and effectively; avoid losses and wastefulness; state-owned houses are leased and leased/purchased by eligible entities in accordance with the Law on Housing and this Decree.

Ensure uniform management, close cooperation, and clear responsibilities of relevant authorities and units.

State-owned houses must have acceptable quality and be safe for users; relocation housing must also comply with regulations set out in Section 1 Chapter IV of this Decree.

The reduction, exemption of housing rents and prices must comply with Article 59, Article 66, an Article 68 of this Decree, except for tenants of official residences, student housing, and the tenants specified in Point c and Point d Clause 1 Article 61, Clause 1 and Clause 3 Article 71 of this Decree.

Old houses invested by state budget or transferred to the State and used as residences (including autonomous housing) must be managed, sold, and leased out in accordance with this Decree.

Violations against regulations on management, use of state-owned houses must be dealt with promptly and strictly in accordance with law. Houses that have to be withdrawn as set out in Article 84 of the Law on Housing

and this Decree must be managed and used for right purposes after the withdrawal.

Article 39. Authorities in charge of management of state-owned houses

State ownership representative authorities of houses invested by central budget:

a) The Ministry of Construction is the state ownership representative authority of official residences of the Government; state-owned social housing invested by central budget student housing under the management of educational institutions affiliated to the Ministry of Construction, except for state-owned social housing purchased or built by the Ministry of National Defense or the Ministry of Public Security specified in Point b of this Clause;

b) The Ministry of National Defense and the Ministry of Public Security are is the state ownership representative authorities of state-owned houses purchased or built by the Ministry of National Defense or the Ministry of Public Security; student housing under the management of educational institutions affiliated to the Ministry of National Defense or the Ministry of Public Security. The Ministry of National Defense is the state ownership representative authority of old houses under its management, except for the case mentioned in Clause 2 Article 64 of this Decree;

c) Other Ministries and central agencies are state ownership representative authorities of official residences, student housing under the management of educational institutions affiliated thereto.

The People's Committees of provinces are state ownership representative authorities of state-owned houses under their management in their provinces.

Housing authorities are the authorities assigned by state ownership representative authorities specified in Clause 1 and Clause 2 of this Article to manage state-owned houses, including:

- a) for Ministries and central agencies, housing authorities affiliated thereto;
- b) for provinces, Departments of Construction;
- c) Educational institutions shall manage student housing under their management.

Operating units of state-owned houses are organizations or enterprises specialized in housing operation as set out in Article 105 of the Law on Housing and are appointed to operate state-owned houses by state ownership representative authorities.

Article 40. Rights and obligations of state ownership representative authorities of state-owned houses

Every state ownership representative authority specified in Clause 1 and Clause 2 Article 39 of this Decree has the following rights and obligations to the houses under their management:

- a) Decide who may lease official residences, who may lease, purchase old houses, who may lease, lease-purchase state-owned social housing;
- b) Select house-operating units;
- c) Approve the plans for maintenance, renovation, dismantlement, reconstruction of houses;
- d) Impose or decide the rents, lease-purchase prices, and selling prices of houses;
- dd) Decide withdrawal of houses;
- e) Other rights and obligations specified by the Prime Minister.

State ownership representative authorities of state-owned houses specified in Clause 1 and Clause 2 Article 39 of this Decree may appoint housing authorities specified in Clause 3 Article 39 of this Decree to exercise the rights set out in Point b Clause 1 of this Article and approve housing maintenance plans. The Ministry of National Defense and the Ministry of

Public Security may appoint housing authorities to exercise the right set out in Point a, Point b, and Point dd Clause 1 of this Article.

Article 41. Rights and obligations of state-owned houses authorities

Every state-owned houses authority specified in Clause 3 Article 39 of this Decree have the following rights and obligations:

Review, make statistics, classify houses under their management; manage autonomous houses transferred by central agencies (if any) in accordance with this Decree.

Develop and submit plans for housing maintenance, renovation, reconstruction to state ownership representative authorities of such houses for approval, or approve the plans themselves if authorized.

Collect, compile, retain housing dossiers, and transfer 01 set of as-built dossier (for new houses) or redrawing dossier (for old houses) to the house-operating unit; the redrawing cost is covered by state budget.

For Department of Construction, establish a Council for valuating local old houses (including those under the management of the Ministry of National Defense). The Council consists of representatives of the Department of Construction, Department of Natural Resources and Environment, Department of Finance, Department of Planning and Architecture (if any), the Department of Planning and Investment, Vietnamese Fatherland Front, Confederation of Labor, Department of Taxation of the province. In case of valuation of houses under the management of the Ministry of National Defense, the Council must have representatives of the Ministry of National Defense.

Issue and submit the decision on people permitted to lease official residences, lease, purchase old houses, lease, lease-purchase state-owned social housing, lease, purchase old houses. For houses of the Ministry of National Defense and the Ministry of Public Security, housing

authorities may decide people permitted to lease, lease-purchase, purchase them if authorized.

Request the state ownership representative authority to select a house-operating unit or select a house-operating unit if authorized; request the state ownership representative authority to decide the use of revenue from business operation in business areas of relocation housing to cover the cost of maintenance of shared area and housing operation works.

Pursuant to regulations of law on brackets of rents, lease-purchase prices, selling prices of state-owned houses, impose rents, lease-purchase prices, selling prices of houses under their management and request the relevant state ownership representative authority to decide.

Request the state ownership representative authority to decide house withdrawal. Housing authorities affiliated to the Ministry of National Defense and the Ministry of Public Security may decide withdrawal of houses under the management thereof if authorized.

Manage, supervise the lease, warranty, maintenance, operation of houses; sell, lease houses under lease-purchase agreements in accordance with this Decree.

Cooperate with finance authorities in providing guidance and inspecting revenues and expenditures of house-operating units.

Supervise and deal with violations, or request competent authority to deal with violations related to management and use of houses.

Submit reports on management and use of houses in accordance with Article 47 of this Decree.

Article 42. Rights and obligations of operating units of state-owned houses

Operate houses transferred by competent authorities specified in Clause 3 Article 39 of this Decree in accordance with this Decree and relevant regulations of law. The Ministry of Construction shall provide instructions on

housing operation; operation of state-owned houses are given the same benefits as public services as prescribed by law.

Lease out and manage the use of houses as assigned or under housing operation contracts with the housing authority.

Develop, issue internal regulations on management and use of houses as instructed by the Ministry of Construction, disseminate these regulations among tenants and users of houses.

Strictly manage the unsold areas within state-owned houses.

Use part of the rents specified in Article 44 of this Decree to cover housing operation costs.

Collect, retain documents related to the construction, operation, warranty, maintenance, renovation of the houses; remake documents that are lost and transfer them to the housing authority for retention.

Maintain and renovate the houses after a competent authority grants an approval.

Discover and request competent authority to deal with violations against regulations on management and use of houses; withdraw houses under decisions of competent authorities.

Cooperate with local authorities in assurance of security and order of tenants and users of the houses.

Make periodic and extraordinary reports on management and use of houses in accordance with Article 47 of this Decree.

Make financial statements about housing operation works as prescribed; perform other rights and obligations prescribed by law.

Article 43. Conversion of official residences; selling state-owned social housing or official residences after conversion

Official residences specified in Clause 4 Article 81 of the Law on Housing shall be converted into houses for rent as follows:

a) The state ownership representative authority of the official residence shall formulate a plan for house conversion, which specifies the conditions of the official residence, reasons for conversion, plan for management and leasing after conversion, rents, eligible tenants, and managing agencies. The rents and eligible tenants shall comply with regulations on leasing out state-owned social housing or decided through bidding;

b) The state ownership representative authority shall submit a report together with the plan to the Ministry of Construction for review and reporting to the Prime Minister for approval;

c) If approved by the Prime Minister, the state ownership representative authority shall approve the plan and manage, lease out the house in accordance with the plan and written approval of the Prime Minister, the Law on Housing, regulations on the management and use of State-owned property, and submit annual reports to the Ministry of Construction.

Where the state ownership representative authority wishes to sell official residences after conversion as set out in Clause 1 of this Article to reinvest in construction of other official residences or selling social houses to reinvest in construction of other social housing:

a) The state ownership representative authority shall develop a plan for selling house which specifies the addresses and quantity of the houses, reasons for selling, selling prices, land levies payable; conditions for buying the houses; procedures for selling; methods of payment, deadline, estimated proceeds; plan for using the proceeds to invest in construction of other houses.

Social housing must be sold to only the entities specified in Clause 1 Article 50 of the Law on Housing; the selling price (including the house price of and land levy) shall comply with regulations on selling social housing. After a official residence is converted, the selling price shall be determined

according to the remaining value of the house and land levy shall be collected in accordance with regulations of law on land;

b) The state ownership representative authority shall submit a report together with the plan to the Ministry of Construction for review and reporting to the Prime Minister for approval;

c) If approved by the Prime Minister, the state ownership representative authority shall approve the plan and implement it as well as the written approval of the Prime Minister;

d) The proceeds from selling houses must be used for reinvestment in construction of social housing or official residences. The state ownership representative authority shall send the Ministry of Construction reports on the use of such proceeds and the Ministry of Construction shall inspect the use of such proceeds to report to the Prime Minister.

Where the Ministry of Construction wishes to convert and sell official residences or state-owned social housing under its management, it must submit documents as set out in Clause 1 and Clause 2 of this Article to the Prime Minister for consideration.

Article 44. Management of proceeds from the lease, lease-purchase, sale of state-owned houses

Proceeds from the lease, lease-purchase, sale of state-owned houses shall be used for maintaining and developing state-owned houses as follows:

a) The proceeds from leasing the houses shall be used for maintenance and operation of state-owned houses for lease;

b) Proceeds from lease-purchase and sale of housing, after deducting the costs of lease-purchase and sale, must be transferred by the seller/landlord to state budget, except for the houses specified in Clause 2 of this Article to

be used for reinvestment in construction of state-owned social housing or official residences locally.

Proceeds from selling old houses under the management of the Ministry of National Defense to tenants shall be transferred to the account of the Ministry of National Defense for reinvestment in construction of social housing for the entities specified in Clause 6 Article 49 of the Law on Housing to purchase or lease-purchase. The Ministry of National Defense shall consult with the Ministry of Construction about the use of such proceeds and reinvestment in housing construction before initiating the house. After completing the construction, the Ministry of National Defense shall submit a report to the Ministry of Construction for summarizing and reporting to the Prime Minister.

The Ministry of Finance shall take charge and cooperate with the Ministry of Construction in providing specific instructions on use of proceeds from house leasing for maintenance and operation of houses for lease; specific instructions on the costs of lease-purchase and purchase of state-owned houses specified in this Article.

Article 45. Procedures for withdrawing state-owned houses

In case of withdrawal of a house as set out in Article 84 of the Law on Housing or a state-owned house is illegally appropriated, the house-operating unit must request the tenant, buyer/tenant, or buyer, or person who illegally appropriates the house (hereinafter referred to as house user), in writing, to return it within 60 days from the day on which the request is received. If the house user fails to return the house by the aforementioned deadline, the house-operating unit shall request the housing authority to withdraw the house within 05 days from the deadline.

Within 10 days from the day on which the request of the house-operating unit is received, the housing authority shall verify whether the house has to be withdrawn and, if the house has to be withdrawn, send a written request to the state ownership representative authority of such house for issuance

of a decision on house withdrawal. If the housing authority finds that the house has to be withdrawn, it shall initiate procedures for house withdrawal specified in this Article.

Within 10 days from the day on which the request of the housing authority is received, the state ownership representative authority shall verify whether the house has to be withdrawn according to Clause 1 of this Article and, if the house has to be withdrawn, issue a decision on house withdrawal and send it to the housing authority, the house-operating unit and the house user. If the house is under the management of the Ministry of National Defense or the Ministry of Public Security, the housing authority may issue a decision on house withdrawal (if authorized) and then send it to the house-operating unit, the house user, and the state ownership representative authority.

A decision on house withdrawal shall contain:

- a) The legal basis for house withdrawal;
- b) Address of the house and full name of its user;
- c) Reasons for house withdrawal;
- d) Name of the unit in charge of house withdrawal, responsibility for returning the house;
- dd) Deadline for house withdrawal;
- e) Plan for management and use of the house after withdrawal.

Within 05 days from the receipt of the decision on house withdrawal, the house-operating unit shall send a written notification together with a copy of the decision on house withdrawal to the house user. The house user must return the house to the house-operating unit by the deadline written on the decision. The house withdrawal shall be made into a record bearing signatures of relevant parties. If the house user refuses to receive the notification or sign the house withdrawal record, the house-operating unit shall invite a representative of the People's Committee of the commune in which the house is located to witness and sign the record.

Within 05 days from the receipt of the decision on house withdrawal, the house-operating unit or the housing authority must terminate the lease or lease-purchase contract (if any)). Where a house is withdrawn because it was sold ultra vires or against the Law on Housing and this Decree, the buyer will receive a refund of the payment for the house, unless the buyer used fraudulent documents to buy the house.

The house shall be withdrawn within 30 days from the issuance date of the decision on house withdrawal. The house-operating unit shall withdraw student housing.

After the house is withdrawn, the house-operating unit must send the housing authority a report on completion of the house withdrawal. Withdrawn houses shall be used for the purposes specified in the Law on Housing and this Decree.

Article 46. Procedures for enforcing withdrawal of state-owned houses

Where the house user fails to return the house according to the decision on house withdrawal specified in Article 45 of this Decree, within 05 days from the deadline specified in Clause 7 Article 45 of this Decree, the house-operating unit shall send a request to the housing authority for enforcement of house withdrawal.

Within 05 days from receipt of the request from the house-operating unit, the housing authority shall verify, send a report and a draft decision on enforcement of house withdrawal to the state ownership representative authority for issuance of the decision on enforcement of house withdrawal.

Within 10 days from the receipt of the report from the housing authority, the state ownership representative authority shall verify, issue a decision on enforcement of house withdrawal according to Article 45 of this Decree, and send this decision to the housing authority and house-operating unit and the house user. If the decision on enforcement of house withdrawal is issued by a Ministry or central agency, it must be enclosed with a request

that the People's Committee of the province in which the house is located organize the enforcement of house withdrawal.

If the house is not subject to enforcement of house withdrawal, the state ownership representative authority must send a written notification to the housing authority and house-operating unit.

Housing authorities affiliated to the Ministry of National Defense and the Ministry of Public Security may issue decision on enforcement of withdrawal of houses under the management of such Ministries if authorized.

According to the decision on enforcement of house withdrawal, the People's Committee of the province in which the house is located shall directly or request the People's Committee of the province in which the house is located to organize the enforcement of house withdrawal and return the house to the house-operating unit. The return of the house must be made into a record bearing certification of the participating agencies.

The enforcement of house withdrawal shall be done within 30 days from the day on which the state ownership representative authority issues a decision on enforcement of house withdrawal.

After the house is withdrawn, the house-operating unit must send the housing authority a report on completion of the house withdrawal. Withdrawn houses shall be used for the purposes specified in the Law on Housing and this Decree.

Article 47. Reporting management of state-owned houses

Procedures for reporting management of state-owned houses:

a) Each house-operating unit shall submit reports to the housing authority;

b) Each housing authority shall submit reports on the houses under their management to the state ownership representative authority;

c) The People's Committees of provinces, ministries, central agencies managing state-owned houses shall submit reports to the Ministry of Construction on the management and use of houses under their management;

d) The Ministry of Construction shall submit reports on management and use of state-owned houses nationwide to the Prime Minister.

Report content:

a) Each report shall specify: quantity and usable area of each type of state-owned houses (villas, apartments, detached houses); quantity of houses that are leased, leased under a lease-purchase agreement, sold; total revenue from lease, lease-purchase, and sale of houses by the time of the report; cases of house withdrawal and their status after withdrawal;

b) The agencies specified in Clause 1 of this Article shall submit reports on management and use of houses in December each year or at the request of the Prime Minister and the Ministry of Construction.

Section 2: MANAGEMENT AND USE OF OFFICIAL RESIDENCES

Article 48. Entities eligible to lease official residences

The entities specified in Point a Clause 1 Article 32 of the Law on Housing may live in official residences because of security requirements.

The entities specified in Point b Clause 1 Article 32 of the Law on Housing who are appointed to hold the position of Deputy Minister or any positions having the allowance factor of 1.3 or over in central agencies, including agencies of the Communist Party, the State socio-political organizations (Central Committee of Vietnamese Fatherland Front, Communist Youth Union of Ho Chi Minh City, Vietnam General Confederation of Labor,

Women's Union of Vietnam, Vietnam War Veterans' Association, Vietnam Farmers Association)

The entities specified in Point b Clause 1 Article 32 of the Law on Housing who are appointed to hold the position of Presidents of the People's Committee of a district, Director of a provincial Department, or any positions having the allowance factor of 0.9 or over in provincial agencies, including agencies of the Communist Party, the State socio-political organizations (Central Committee of Vietnamese Fatherland Front, Communist Youth Union of Ho Chi Minh City, Vietnam General Confederation of Labor, Women's Union of Vietnam, Vietnam War Veterans' Association, Vietnam Farmers Association)

The entities specified in Point c through g Clause 1 Article 32 of the Law on Housing.

Article 49. Conditions for leasing official residences

Every entity specified in Point a Clause 1 Article 32 of the Law on Housing must be holding the positions.

Every entity specified in Point b Clause 1 Article 32 of the Law on Housing is required to satisfy the conditions below:

- a) There is a decision on appointment and documents proving the position allowance factor;
- b) He/she has not owned a house, leased, leased under a lease-purchase agreement, or purchased a social housing in the area in which he/she move to work, or has owned a house in the area but the average housing area of the household is below 15 m² per person.

Every entity specified in Point b Clause 1 Article 32 of the Law on Housing is must satisfy the conditions below:

a) There is a decision on appointment and documents proving the position of military officer, professional serviceman, unless it is written on the decision on appointment;

b) Housing requirements specified in Point b Clause 2 of this Article are satisfied;

c) He/she is not required to stay in a military camp according to regulations of the Ministry of National Defense and the Ministry of Public Security.

Every entity specified in Point c through e Clause 1 Article 32 of the Law on Housing is required satisfy the conditions below:

a) There is a decision on appointment which requires him/her to move to work in the area;

b) Housing requirements specified in Point b Clause 2 of this Article are satisfied;

c) If he/she is appointed to work in a rural plain or midland, the distance from the area the his/her residence must be at least 30 km. If he/she is appointed to work in a rural remote area that is extremely disadvantaged, bordering area, or an island, the People's Committee of the province shall decide the distance, which must not fall below 10 km.

Every entity specified in Point g Clause 1 Article 32 of the Law on Housing is required satisfy the conditions below:

a) There is a decision on appointment as person in charge of a national science and technology task of particular importance according to regulations of law on science and technology;

b) Housing requirements specified in Point b Clause 2 of this Article are satisfied.

Article 50. Conditions for leasing official residences and operation of official residences

The entities specified in Point a Clause 1 Article 32 of the Law on Housing may lease official residences under decisions of competent authorities.

With regard to a person specified in Point b through Clause 1 Article 32 of the Law on Housing:

- a) Such person shall submit an application for house lease to his/her employer. Within 10 days from the receipt of the application, the employer shall check and send a written request to a competent authority for decision on lease of the official residence.
- b) Within 20 days from the receipt of the written request enclosed with the application, the competent authority shall carry out an inspection and, if conditions for leasing the official residence are satisfied, issue a decision on official residence lease or, if such conditions are not satisfied, give a written response and provide explanation;
- c) Within 10 days from the receipt of the decision on official residence lease, the operating unit of the official residence shall sign a lease contract with the applicant or his/her employer.

Operation of official residences:

- a) Official residences of central agencies (except for those of the Ministry of National Defense and the Ministry of Public Security) shall be operated by organizations or units capable of housing operation. Official residences in remote areas, extremely disadvantaged areas, bordering areas, and islands shall be operated by local house-operating units;
- b) The Ministry of National Defense and the Ministry of Public Security shall select operating units of their official residences;
- c) Local official residences for officials of provincial agencies shall be operated by local house-operating units. If such units are not available, the Department of Construction shall establish an affiliated department to operate them and purchase official residence operation services;
- d) Local official residences for officials of district agencies shall be operated by local house-operating units or housing authority of the district;

dd) Official residences of teachers, doctors, health workers within other premises or adjacent to a school or medical facility may be operated by such school or medical facility.

The Ministry of Construction shall provide the forms of applications for lease of official residences, official residence lease contracts, and issue regulations on management and use of official residences.

Article 51. Rents for official residences and payment thereof

Rents for official residences shall be determined in accordance with Article 33 of the Law on Housing.

Payment of rents for official residences:

a) A tenant of an official residence shall pay the rent in accordance with the concluded lease contract at the time of receiving wages from the State. If the tenant fails to pay the rent for 03 consecutive months, the operating unit of official residence shall request the employer of the tenant to deduct the rent from his/her wages. The employer of the tenant must transfer the rent to the house-operating unit;

b) In case of leasing commercial housing as an official residence the rent for which is higher than the rent payable by the tenant, the tenant shall pay no more than 10% of his/her wage at that time and state budget shall cover the difference. Central government budget shall cover the rents payable by officials of central agencies, local government budgets shall cover the rents payable by officials of local agencies.

Procedures for paying the aforementioned differences shall comply with instructions of the Ministry of Finance;

c) Where the operating unit of the official residence signs a lease contract with the employer of the tenant, the employer shall deduct the rent from his/her wages to pay the operating unit.

The Ministry of Finance shall provide instructions on the use of collected rents for maintenance and for covering the official residence operation cost. If the rents are not sufficient, state budget shall cover the difference.

The Ministry of Construction shall provide instructions on determination of rents for official residences.

Section 3: MANAGEMENT AND USE OF SOCIAL HOUSING

Article 52. Conditions for leasing, lease-purchasing state-owned social housing

The entities specified in Clause 1 Article 50 of the Law on Housing may lease or lease-purchase state-owned social housing.

Students specified in Clause 9 Article 49 of the Law on Housing may lease social housing during their study period. If the quantity of social housing is not sufficient to satisfy all demands, the following order of priority shall apply: students of families that are beneficiaries of preferential policies, poor households, near-poverty households as defined by the State; students from remote areas; excellent students; freshman students.

A tenant of a state-owned social housing must satisfy requirements in terms of housing, residence, and income specified in Clause 1 Article 51 of the Law on Housing. If the tenant already owns a house, the average area in the household must be less than 10 m² per person.

Income requirements shall not apply to entities specified in Clause 10 Article 49 of the Law on Housing, provided they have not received any compensation from the State in the form of housing or residential land.

In case of lease-purchase of state-owned social housing, the buyer/tenant must satisfy conditions specified in Clause 2 of this Article and pay the first installment which is 20% of the value of the house being leased under a lease-purchase agreement. The first installment may be increased to 50% of the value of house.

Article 53. Application for leasing, lease-purchasing state-owned social housing

An application for leasing, lease-purchasing a state-owned social housing consists of:

- a) An application form for leasing, lease-purchasing a state-owned social housing;
- b) Documents proving the eligibility and fulfillment of requirements in terms of housing, residence, and income specified in Article 52 of this Decree;
- c) Documents proving the eligibility for exemption or reduction of rents (if any).

The Ministry of Construction shall provide the application forms for lease and lease-purchase of social housing; provide specific guidance on documents proving the conditions of the house, documents proving fulfillment of housing, income requirements specified in Point b Clause 1 of this Article, and documents proving eligibility for exemption or reduction of rents specified in Point c Clause 1 of this Article.

Article 54. Procedures for withdrawing state-owned houses

Any person who wishes to lease or lease-purchase a state-owned social housing shall submit 02 applications as set out in Clause 1 Article 53 of this Decree to the local house-operating unit or housing authority. Apart from the documents specified in Clause 1 Article 53 of this Decree, the

application-receiving body must not request the application to submit any other documents.

The application-receiving body shall check and classify the application and immediately notify the applicant if the application does not have adequate documents. If applications are received by the house-operating unit, it must send a list of persons eligible applicants together with legitimate applications to the housing authority.

According to the list of applicants, the housing authority shall directly consider or establish a Council to consider each application in order to determine eligible applicants and applicants given priority (if any).

The housing authority shall send a list of eligible applications and applications given priority together with the records to the state ownership representative authority, and a list of ineligible or rejected applications to the house-operating unit in order to notify the applicants.

According to the report of the housing authority, the state ownership representative authority shall issue a decision to approve the list of eligible applicants and send it to the housing authority in order to sign lease-purchase contracts, or house-operating unit in order to sign lease contracts.

The deadline for processing an application is 30 days from the day on which the operating unit receives the satisfactory application. If the application has to be considered or graded, the time limit shall not exceed 60 days.

Rights and obligations of tenants and buyer/tenants of state-owned social housing shall comply with the Law on Housing and the lease or lease-purchase contracts.

The Ministry of Construction shall provide the forms of lease contracts and lease-purchase contracts; specific guidance on criteria for selecting eligible applicants, management and use of state-owned student housing.

Article 55. Rents and lease-purchase prices of state-owned social housing, cost of management and use of state-owned social housing

Rents for state-owned social housing shall be determined in accordance with Clause 1, Clause 3, and Clause 4 Article 60 of the Law on Housing. Lease-purchase prices of state-owned social housing are determined in accordance with Clause 2 through 4 Article 60 of the Law on Housing minus the housing maintenance fees paid by the buyer/tenant as specified in Article 108 of the Law on Housing.

Apart from paying the rent or lease-purchase price as set out in Clause 1 of this Article, the tenant or buyer/tenant must pay the costs of management and use of the house, including operating cost, payment for electricity and water supply, communications, televisions, and other services in accordance with regulations of law and agreements with service providers.

The Ministry of Construction shall provide specific guidance on determination of costs, rents, and lease-purchase prices of state-owned social housing.

Article 56. Management and use of state-owned social housing

The management and use of state-owned social housing must comply with Article 64, Section 2 Chapter VI of the Law on Housing, and Article 38 of this Decree.

Tenants of social housing shall be given exemption/reduction of rents similarly to leasing state-owned old houses specified in Article 59 of this Decree. With regard to households and individuals that lease-purchase or purchase social housing for relocation, after paying the price under the contract and obtaining the Certificate, they shall have the rights and obligations of the house owner specified in the Law on Housing.

State-owned social housing shall be operated by units or organizations licensed for housing operation. The house-operating unit shall monitor and

report the management of use of such houses in accordance with Article 47 of this Decree.

If there is no house-operating unit in the province or one that satisfy requirements of the Law on Housing, the Department of Construction of the province shall establish a affiliated department in charge of housing operation and purchase housing operation services; the cost of housing operation shall be covered by the rents and local government budget.

Section 4. LEASING STATE-OWNED OLD HOUSES

Article 57. Conditions for leasing state-owned old houses

Entities eligible to lease state-owned old houses specified in this Decree are people who are using such houses and wish to keep leasing them, including those provided with the houses before November 27, 1992 (issuance date of the Prime Minister's Decision No. 118/TTg on house rents and inclusion of house rents in wages), and the people provided with houses specified in Clause 1 Article 61 of this Decree, except for illegal appropriation of houses.

A person may lease state-owned old house in the following cases:

- a) If the house is being used by a person who has a lease contract in which he/she is a party, the lease contract is not required to be renewed, unless the contract has expired.
- b) If the house is being used by a person without a lease contract but there is a decision on housing provision in which he/she is a recipient, he/she must sign a contract with the house-operating unit;
- c) If the house is being used by a person who has a lease contract in which he/she is not a party and the house is not in dispute, he/she may sign a

lease contract with the house-operating unit in accordance with Article 60 of this Decree;

d) If the house is being used by a person who has a decision on housing provision in which he/she is not a recipient, and the house is not in dispute, he/she must sign a contract with the house-operating unit in accordance with Article 60 of this Decree.

Illegally appropriated houses shall be withdrawn in accordance with Article 45 and Article 46 of this Decree.

Article 58. Rents for state-owned old houses

With regard to a building that was not originally a house but put into use as a house before July 05, 1994 (issuance date of the Government's Decree No. 61/CP) without renovation or reconstruction, the rents for unrenovated or unreconstructed state-owned houses imposed by the Prime Minister shall apply.

With regard to a house specified in Clause 1 of this Article but has been renovated or reconstructed by the State, a building that was not originally a house but put into use as a house before July 05, 1994 (issuance date of the Prime Minister's Decision No. 09/2007/QĐ-TTg), the rents for state-owned social housing shall apply.

Article 59. Exemption and reduction of rents for state-owned old houses

Exemption and reduction of rents for state-owned old houses shall be granted as follows:

a) The person granted exemption and/or reduction of rents must be a party to the lease contract (the representative in the contract or another member in the contract);

b) A tenant is only granted exemption and/or reduction of rents once. A person who leases more than one state-owned houses shall be granted exemption and/or reduction of rents for only one house;

c) If a person is eligible for various levels of exemption and/or reduction of rents, the highest level shall apply;

d) If a household has two or more tenants who are eligible for rent reduction, the household shall be granted an exemption of house rents.

Entitles eligible for exemption and/or reduction of rents for old houses include:

a) Meritorious servicemen defined by regulations of law on incentives for meritorious servicemen;

b) Poor households, near-poverty households according to standards issued by the Prime Minister;

c) The disabled, lonely elders, and entities facing housing difficulties in urban areas.

The level of exemption and/or reduction of rents specified in Clause 2 of this Article shall be decided by the Prime Minister.

Poor households, near-poverty households, the disabled, lonely elders, and entities facing housing difficulties in urban area shall be granted 60% reduction of house rents. This reduction applies to the whole household, not each member therein.

Article 60. Documentation and procedures for leasing state-owned old houses

An application for leasing a state-owned old house consists of:

a) An application form;

b) Documents proving the use of the house specified in either Point b, Point c, or Point d Clause 2 Article 57 of this Decree;

c) A copy of the unexpired ID card or passport or serviceman's card of the applicant; for spouses, a certified true copy of the family register or marriage certificate;

d) Copies of documents proving the eligibility for exemption or reduction of rents (if any).

Procedures for leasing old houses in the case specified in Point b Clause 2 Article 57:

a) The applicant shall submit 02 applications as set out in Clause 1 of this Article to house-operating unit or housing authority (specified by the People's Committee of the province);

b) The application-receiving body shall examine the application and issue a receipt note; notify the applicant in writing if the applicant is not eligible; request the applicant to supplement the application if documents are not adequate. If the application is received by a house-operating unit, the housing authority must be notified;

c) If the application is satisfactory, the housing authority shall send a proposal together with a draft decision on eligible tenant approval to the state ownership representative authority;

d) According to the proposal of the housing authority, the state ownership representative authority shall issue a decision on eligible tenant approval , send it to the housing authority in order to request the operating unit to sign the lease contract. Where the housing authority is authorized to decide eligible tenants of old houses under the management of the Ministry of National Defense, the housing authority shall issue the decision on eligible tenant approval .

After the decision on eligible tenant approval is issued, the house-operating unit shall sign a lease contract with the tenant.

Procedures for signing a lease contract with the tenant as set out in Point c and Point d Clause 2 Article 57 of this Decree:

a) Where the house user is given the right to lease the house before June 06, 2013, which is the issuance date of the Government's Decree No. 34/2013/NĐ-CP dated April 22, 2013 on management of state-owned houses (hereinafter referred to as Decree No. 34/2013/NĐ-CP), the applicant shall submit 02 applications specified in Clause 1 of this Article to the house-operating unit or housing authority (specified by the People's Committee of the province). The application-receiving body shall examine it and, if it is satisfactory, publish information about the leased house on 03 issues of a local paper on its website. If the application is received by a housing authority, the house-operating unit shall publish such information.

After 30 days from the last publication day, if not dispute arises over the leased house, the house-operating unit shall sign a contract with the tenant and send a report to the housing authority. Where a dispute over the house arises, the lease contract shall only be signed after the dispute is settled.

b) If the house user is given the right to lease the house from June 06, 2013, the applicant shall submit 02 applications as set out in Clause 1 of this Article to house-operating unit or housing authority (specified by the People's Committee of the province);

If the application is received by a housing authority, it shall examine the application and, if no dispute arises, issue a written approval for the transfer of the right to lease and send it together with a copy of the application to the house-operating unit in order to sign a contract with the tenant. If the application is received by the operating unit, it shall examine the application and notify the housing authority in order to issue a written approval for the transfer of the right to lease before signing the contract. If the housing authority does not approve, the applicant must be informed.

If the lease contract is signed or renewed but the actual housing area is not consistent with that in the document, the house-operating unit shall check and redetermine the legal housing area before signing the lease contract.

The application shall be processed within 30 days from the day on which the satisfactory application is received.

The Ministry of Construction shall provide the forms of application, lease contract, and documents proving the use of old houses.

Article 61. Leasing houses and buildings that were not originally houses but put into use as houses from November 27, 1992 to before January 19, 2007

The State shall lease it out in accordance with this Decree in the following cases:

- a) The construction of the house invested by state budget is permitted by competent authority before November 27, 1992 but was not complete until November 27, 1992, and then leased out to officials and workers according to the Prime Minister's Decision No. 118/TTg.
- b) A person who had leased the house before November 27, 1992 and was assigned to another area, the State requests that the house be returned, and the person is provided with another house to lease after November 27, 1992;
- c) A house or a building that was not originally a house is put into use as a house during the period from November 27, 1992 to before January 19, 2007;
- d) A house or a building that was not originally a house is put into use as a house during the period from July 95, 1994 to before January 19, 2007.

The rents in the cases specified in Clause 1 of this Article:

- a) If the houses specified in Point a, Point b, and Point c have not been renovated or reconstructed, the rents for unrenovated and unreconstructed

houses decided by the Prime Minister shall apply. If such houses have been renovated or reconstructed, the rents for state-owned social housing shall apply;

b) The rents for state-owned social housing shall apply to the houses specified in Point d Clause 1 of this Article.

A building is put into use as a house from January 19, 2007 shall be dealt with in accordance with regulations on management state-owned real estate.

Section 5. SELLING STATE-OWNED OLD HOUSES

Article 62. Types of state-owned old houses banned from selling

The following types of state-owned old houses must not be sold:

a) Houses in areas intended for construction of official residences, key constructions of national importance or provincial importance;

b) The house or its land has been withdrawn under a decision of a competent authority;

c) Building that was not originally a house but put into use as a house and is subject to rearrangement of state-owned real estate;

d) Any house associated with a ranked historical or cultural site according to a decision of a competent authority; any house in a planning for construction of official residences, office building, school, hospital, park, public works approved by a competent authority;

dd) Seriously damaged apartment building that is likely to collapse and threaten the safety of its user according to a conclusion of the Department of Construction of the province in which the apartment building is located; any apartment that is yet to be renovated by the State, unless the tenant

has renovated it before this Decree comes into force and use it independently, voluntarily under a written commitment;

e) Any villa on the list of villas banned from selling compiled by the People's Committee of the province and approved by the Prime Minister before this Decree comes into force.

The villas included in the list after the Prime Minister grants an approval are also managed according to the criteria established by the People's Committee of the province and reported to the Prime Minister before this Decree comes into force.

Houses banned from selling specified in Clause 1 of this Article shall be handled on a case-by-case basis.

Article 63. Conditions for buying and selling state-owned old houses

Buyers of state-owned old houses must be eligible for housing provision as set out in Clause 1 Article 57 of this Decree.

Buyers of state-owned old houses must satisfy the following conditions:

- a) There is a lease contract with a house-operating unit and is a party thereto (including the representative and other members aged 18 or over); if the contract is undersigned by more than one member, they must appoint a representative to sign the house purchase contract with the housing authority;
- b) The rents have been paid sufficiently under the lease contract as well as housing operating costs at the time of signing the house purchase contract;
- c) There is an application for purchase of the old house being leased.

Conditions for selling a house or a building that was not originally a house but put into use as a house before July 05, 1994:

- a) The house is not one of those specified in Article 62 of this Decree;

b) The house is not under dispute;

c) In case an old house has to undergo public ownership establishment process under the National Assembly's Resolution No. 23/2003/QH11 dated November 26, 2013 and Resolution No. 755/2005/NQ-UBTVQH11 dated April 02, 2005, a competent authority must complete the procedures for public ownership establishment and sign the lease contract before selling the house;

d) In case of selling a house that was not originally a house but put into use as a house before July 05, 1994, it must satisfy the following conditions: its land must be independent or separate from the premises of an office building; the house has a separate path and does not block the front of an office building, does not affect the surrounding space and landscape; the house is not being used by any agency or unit, and conformable with the local land-use planning which is approved by a competent authority. The agency or unit that no longer needs to use the house shall transfer it to the People's Committee of the province in which it is located, except for houses under the management of the Ministry of National Defense.

In case of selling a building that was not originally a house but put into use as a house during the period from July 05, 1994 to before January 19, 2007, Article 70 of this Decree shall apply.

In case a building that was not originally a house is put into use as a house before July 05, 1994 and does not satisfy the conditions in Point d Clause 3 of this Article, and building provided as a house from January 19, 2007, regulations of law on management of state-owned real estate shall apply.

Article 64. Agencies in charge of selling state-owned old houses

The People's Committees of provinces and the Ministry of National Defense are responsible for selling houses and appointment of housing authorities in charge of selling state-owned old houses in accordance with this Decree.

If the Ministry of National Defense wishes to transfer old houses under the its management to the People's Committees of provinces in which they Article located for management and sale, the Ministry of National Defense shall reach agreements with them on the transfers. After receiving the old houses from the Ministry of National Defense, the People's Committees of the provinces are their state ownership representative authorities and responsible for managing, leasing out, and selling them in accordance with this Decree.

Article 65. Selling prices of state-owned old houses

The selling price of any old house put into use before July 05, 1994 (including those having undergone public ownership establishment set out in Point c Clause 3 Article 63 of this Decree), including the house price and land levy, regardless of the quantity of houses purchased at a time. To be specific:

The house price is determined according to the remaining value of the house and price adjustment coefficient. The remaining value of the house equals (=) the rate of remaining value multiplied by (x) price of a new house imposed by the People's Committee of the province applicable at the time of concluding the purchase contract and multiplied by the usable area of the house.

With regard to a villas in which more than one households live and that has a shared area, this shared area shall be divided according to the ratio of use area of each household. With regard to a class IV house that has been had dismantled and rebuilt by the tenant before this Decree comes into force, its remaining value is 0 (zero).

The land levy is determined according to the land price list issued by the People's Committee of the province applicable at the time of concluding the

purchase contract and depends on the location and number of stories of the house. To be specific:

a) For a multi-story house in which more than one households live, the land levy is 10% of the land price when transferring land use right and divided among the stories according to the coefficient of each story;

b) With regard to a single-story house and multi-story house in which only one household lives, a villa in which one or more households live, the land levy is 40% of the land price when transferring the right to use the area of land within the limit imposed by the People's Committee of the province for each household. The land levy the area of land that exceeds the limit imposed by the People's Committee of the province is equal to 100% of the land price;

c) With regard to a villa in which more than one households live, the land area for calculating land levy incurred by each households includes the private area that is not in dispute, the area of land in which the villa is built shall be divided among the households according to the living area of each household and the coefficient of each story; the shared area in the villa shall be divided by the number of households in the villas. The People's Committee of the province shall specify the division of land area when selling villas depending on the conditions of each area;

d) With regard to detached houses facing the streets that are appropriate for business, the People's Committee of each province shall decide the land price coefficient (k) according to the land price issued by the People's Committee of the province to calculate land levies when selling houses and transfer the right to use the land associated with the houses;

dd) With regard to an old house the construction of which is paid by certain persons, not the state budget, its price shall be calculated in accordance with Clause 1 of this Article and the buyers shall have such the amount contributed previously deducted (according to the ratio of contribution to total value of the house upon the completion of its construction). Land levies shall comply with this Clause.

With regard to a single-story or multi-story house in which more than one households live, if it has a shared area, only sell the shared areas to households using the house if they reach a consensus on the division of the area among the households. If such consensus is not reached, the housing authority shall not sell this area and keep managing it in accordance with this Decree.

The Ministry of Construction shall provide specific guidance on house prices, determination of remaining value of houses, price adjustment coefficients, coefficients of stories when transferring land use right of multi-story houses and houses in which more than one households lives.

Article 66. Rules for exemption and reduction of selling prices for state-owned old houses

The selling price of a state-owned old house includes the house price and land levy.

The exemption and/or reduction of land levies when selling a house and land use right must comply with the rules below:

a) The exemption and/or reduction of land levies when selling a state-owned old house is only granted once to the buyer. Where a buyer is eligible for multiple levels of reduction, the highest level shall apply. Where multiple members of a household are eligible for reduction of land levy, the reductions may be accrued but the total reduction must not exceed the amount of land levy payable by the buyer;

b) Do not grant exemption and/or reduction of land levies in the cases mentioned in Point c and Point d Clause 1 Article 61, Clause 1 and Clause 3 Article 71 of this Decree;

c) A person that was granted exemption and/or reduction of land levies when buying state-owned houses or receiving land from the State to build houses, or receive monetary support for house improvement before this Decree comes into force shall not be granted exemption and/or reduction of

land levies when receiving land use right associated with the house purchased in accordance with this Decree.

Rules for reduction of house prices:

- a) Reduction of house prices must not be duplicated in terms of time of beneficiaries. Each person shall be granted only one reduction when buying a house he/she is leasing;
- b) Do not grant reduction of house prices in the cases mentioned in Point c and Point d Clause 1 Article 61, and Clause 1 Article 71 of this Decree;
- c) Where a household has more than one members who are enumerated on the same house lease contract or reside in the same house which is eligible for house price reduction, the reduction may be accrued but the total reduction must not exceed the price payable (exclusive of land levy);
- d) The number of years as the basis for calculation of house price reduction is the years of working in the agencies, units under the management of the State at the time of signing the house purchase contract. When calculating the number of working years, the number of months of an incomplete year that is six or less shall be rounded up to half a year, and the number of months that is more than six shall be rounded up to a year.

Article 67. Entities eligible for exemption and reduction of selling prices for state-owned old houses

The entities eligible for exemption and/or reduction of land levies when buying state-owned houses include:

- a) Meritorious servicemen defined by regulations of law on incentives for meritorious servicemen;
- b) Poor households, near-poverty households according to standards issued by the Prime Minister;
- c) The disabled, lonely elders, and entities facing housing difficulties in urban areas.

Entities eligible for reduction of houses prices when buying state-owned old houses include:

- a) Officials and workers of administrative agencies, Communist Party agencies and associations whose wages are paid by state budget;
- b) People in the armed forces whose wages are paid by state budget;
- c) Non-commissioned officers and soldiers who operate in battlefields A, B, C, K and receive allowances;
- d) Officials of communes and wards whose wages are paid by state budget or receiving allowances according to the rates imposed by the State;
- dd) Workers who have work for at least a year in state-owned enterprises, organizations, units permitted to do business within administrative agencies, Communist Party agencies and associations;
- e) The entities specified in Point a, b, c, and d of this Clause who are appointed to work in foreign-invested companies, industrial parks, export-processing zones, hi-tech zones, economic zones, trade representative offices established and operating in Vietnam, diplomatic missions, international organizations, non-governmental organizations, foreign press agencies, radio and television agencies in Vietnam, and units of other economic sectors;
- g) People receiving pensions, compensation for loss of capacity for work, occupational accident benefits, or occupational disease benefits, benefits for rubber plantation workers, lump-sum social insurance payout, severance pay before and after the promulgation of Decision No. 111/HĐBT dated April 12, 1991 of Minister Council (now the Government) or before and after the promulgation of the Labor Code 1994;
- h) People working in the armed forces who receive wages but are not eligible to receive monthly pension, compensation for loss of capacity for work, and receive veteran benefits instead; people who are discharged from the army before 1960;
- i) The entities specified in Clause 1 of this Article.

Article 68. Levels of exemption and reduction of selling prices for state-owned old houses

The level of exemption and/or reduction of land levies for the entities specified in Clause 1 Article 67 of this Decree shall be decided by the Prime Minister.

Poor households, near-poverty households, the disabled, lonely elders, and entities facing housing difficulties in urban area shall be granted 60% reduction of land levies. This reduction applies to the whole household, not each member therein.

Levels of reduction of house prices for entities specified in Clause 2 Article 67 of this Decree:

a) For each year of working, the buyer will receive a reduction equal to 0.69 time the minimum wage applied to officials, civil servants, the armed forces as specified by the Government. If the buyer used to work in the armed forces, each year of working in the armed force will be given a reduction equal to 1.24 times the minimum wage mentioned above;

b) Meritorious servicemen, members of poor households, near-poverty households, the disabled, and lonely elders whose total reduction is smaller than 6.9 times the minimum wage shall receive a reduction equal to 6.9 times the minimum wage for each people. If the number of working years as the basis for determination of reduction is not available, the reduction of 6.9 times the minimum wages shall apply.

For poor households, near-poverty households, the reduction applies to the whole household, not each member therein.

Article 69. Documentation and procedures for selling state-owned old houses

An application for purchase of a state-owned old house consists of:

- a) An application form;
- b) A copy of the unexpired ID card or passport or serviceman's card of the applicant; for spouses, a certified true copy of the family register or marriage certificate;
- c) A valid lease contract; documents proving full payment of rents and housing operation costs at the time of submitting the application.

If the person who signs the lease contract has gone abroad, it is required to have a document authorizing another member to sign the house purchase contract (notarized or authenticated by a competent authority). If the person who signs the lease contract is dead, it is required to have a death certificate.

Where a member renounces his/her right to buy the house and has his/her name written on the Certificate, it is required to have a letter of renouncement and commitment to not file any lawsuit or appeal against this transaction.

- d) Documents proving the eligibility for exemption or reduction of house price (if any).

Procedures for selling state-owned old houses:

- a) The buy shall submit an application to the house-operating unit or housing authority (specified by the People's Committee of the province);
- b) The application-receiving body shall receive the application, issue a receipt note, check the application, and make a list of buyers. According to the applications for purchase of old houses, the Department of Construction shall hold a meeting of the Council to determine selling prices

of houses and land use right. After the Council determines selling prices of houses and land use right, the Department of Construction shall make and send a list of eligible buyers together with a price list to the state ownership representative authority for consideration and decision.

With regard to old houses under the management of the Ministry of National Defense, the application-receiving body shall request the Council to hold a meeting to determine the prices, then submit the prices to the Ministry of National Defense for decision;

c) According to report submitted by the housing authorities, the state ownership representative authority shall consider issuing a decision to sell old houses which specifies the eligible buyers, addresses of the houses, selling prices of the houses and land use right, then send such decision to the housing authorities and house-operating units for them to conclude house purchase contracts;

d) After receiving the decision to sell old houses, the house-operating unit shall notify the buyer of the specific time for concluding the house purchase contract with the housing authority;

dd) The time limit for selling old houses is 45 days from the day on which the house-operating unit receives the satisfactory application. This period shall not be included in the time limit for fulfilling financial obligations and time limit for competent authority to issue the Certificate to the buyer.

The Certificate shall be issued to the buyer in accordance with regulations of law on land. The Certificate issuer shall send a list of buyers issued with the Certificates and a copy of each Certificate to the Department of Construction;

e) If the buyer has not concluded the contract after 90 days from the day on which the house-operating unit sends a notification of the time for contract conclusion and the land price imposed by the People's Committee of the

province is changed, the housing authority shall request the People's Committee of the province to approve the new price before concluding the contract with the buyer.

The Ministry of Construction shall provide specific forms of application for purchase of old houses, documents proving the eligibility for exemption or reduction of house prices, documents for buying houses, trading procedures, and forms of old house purchase contract (if any).

Article 70. Selling houses and buildings that were not originally houses but put into use as houses from during the period from July 05, 1994 to before January 19, 2007

A house or a building that was not originally a house is put into use as a house during the period from July 95, 1994 to before January 19, 2007 (including those that have undergone the process of public ownership establishment specified in Point c Clause 3 Article 63 of this Decree) shall be sold as follows:

- a) The buyer must satisfy requirements set out in Clause 2 Article 63 and the house must satisfy requirements set out in Clause 3 Article 63 of this Decree;
- b) The selling price includes the house price and land levy;
- c) The house price is determined according to the remaining value of the house multiplied by (x) price of a new house imposed by the People's Committee of the province applicable at the time of concluding the purchase contract and multiplied by the usable area.
- d) The land levy is equal to 100% of the land price imposed by the People's Committee of the province applicable at the time of concluding the purchase contract (inclusive of land levy if the house is one of those specified in Point d Clause 2 Article 65 of this Decree), regardless of whether the area exceeds the limit of residential land area or not.

In case a house or building that was not originally a house and is put into use as a house during the period from July 05, 1994 to before January 19, 2007 does not satisfy conditions for selling specified in Point a Clause 1 of this Article, regulations of law on management of state-owned real estate shall apply.

Article 71. Selling shared areas of houses and transfer of rights to use land areas adjacent to state-owned old houses

Where the State has sold all of the private areas of a house in which more than one households live but has not sold the shared area therein and has not transferred the right to use the shared land area therein, if the organization, household, or individual that owns the entire area sold by the State wishes to buy such shared area:

- a) The buyer must pay the house price and land levy on such shared area;
- b) The house price equals (=) the remaining value of the house multiplied by (x) the price of a new house imposed by the People's Committee of the province applicable at the time of concluding the purchase contract and multiplied by the usable area;
- c) The land levy is equal to 100% of the land price imposed by the People's Committee of the province applicable at the time of concluding the purchase contract (inclusive of land levy if the house is one of those specified in Point d Clause 2 Article 65 of this Decree);
- d) Before selling the shared area, the selling authority is not required to conclude a contract to lease such area.

If the State has not transfer the right to use the area adjacent to a state-owned old house when selling the house according to Decree No. 61/CP or Decree No. 34/2015/NĐ-CP, such area shall be settled as follows:

- a) The right to use the area adjacent to the state-owned house shall be transferred to the person who is lawfully using the house if such area is not

in dispute and is conformable with the housing construction planning and land-use planning;

b) Land levy is 40% of the land price if the area does not exceed the limit, and 100% if the area exceeds the limit on residential land within such state-owned house (limit on residential land includes the land area having the house and the adjacent area). The land price as the basis for calculating land levy may apply the land price list issued by the People's Committee of the province applicable at the time of transfer the right to use such area. Land levy on the area outside the premises of the state-owned old house shall be collected in accordance with regulations of law on land.

If the house is built on an empty land within the premises of a state-owned house in accordance with housing construction planning and land-use planning, and the area is not in dispute, the person who is using this land area shall have his/her land use right recognized by the State. The land levy in this case is 100% of the land price imposed by the People's Committee of the province applicable at the time of recognizing the land use right.

The housing authority shall cooperate with the People's Committees of districts in managing the shared area that is not purchased by the house owner in accordance with this Decree, regulations of law on housing and land.

Pursuant to this Decree, the People's Committee of the province shall regulate documents and procedures for the cases specified in Clause 1 through 3 of this Article, provide funding for measuring, drawing, making documents, and managing shared areas as set out in Clause 4 of this Article.

The Ministry of Construction shall provide specific guidance on Clause 1 and Clause 2 of this Article.

Chapter VI

HOUSING TRANSACTION

Article 72. Documents proving fulfillment of conditions in the case the Certificate is exempt

Documents proving fulfillment of conditions in the case specified in Clause 2 Article 118 of the Law on Housing:

In case of mortgage of an off-the-plan house, it is required to have the documents specified in Clause 1 Article 148 of the Law on Housing; in case of mortgage of an off-the-plan commercial house, it is required to have the documents specified in regulations of law on real estate trading and Point b Clause 2 Article 19 of this Decree.

In case of gifting a charitable house, it is required to have documents proving the construction the houses by the givers.

In case of lease of a state-owned old house, it is required to have documents specified in Article 60 of this Decree; in case of purchase of a state-owned old house, it is required to have the documents specified in Article 69 of this Decree.

In case of purchase, lease-purchase of a social housing (including cases in which the social housing is purchased or leased under a lease-purchase agreement for relocation), it is required to have the documents specified in Article 63 of the Law on Housing.

In case of purchase of a relocation house under a project, it is required to have the Certificate or decision on land transfer, decision on approval for the project issued by a competent authority, and documents of the approved project, license for construction (if required), and acceptance documents.

Where a household or individual purchases a commercial housing for relocation, it is required to enclose a house purchase contract or housing order contract between the commercial housing construction project investor and the unit in charge of providing relocation housing with documents of the approved project. In case of purchase of an existing house, it is required to have documents about acceptance of the house as set out in regulations of law on construction. In case of purchase of a off-the-plan house, it is required to have a record on acceptance of the house foundation as set out in regulations of law on construction.

In case of purchase of a house specified in Clause 4 Article 62 of the Law on Housing, it is required to have a purchase contract or lease contract with the social housing construction project investor enclosed with the record on house transfer and documents proving full payment for the purchase or rent to the investor.

In case of inheritance of a house, it is required to have the following documents:

- a) for a house offered, an offering contract or document about the offering enclosed with documents proving the giver's house ownership (if any);
- b) for a house purchased or leased under a lease-purchase agreement, a purchase contract or lease-purchase contract enclosed with documents proving the seller's/landlord's house ownership, or documents proving the construction of the house;
- c) If the house is new, it is required to have a license for construction (if required) and documents proving the bequeather's land use right as set out in regulations of law on land;
- d) In case of inheritance under a decision of the people's court, it is required to have the judgment or effective decision of the court.

In case of leasing, borrowing, temporary stay, authorizing house management (except for lease of state-owned old houses), the landlord, lender, authorizer must have a purchase contract or lease contract with the investor in the housing construction project if the house is purchased or

leased under a lease-purchase agreement from the investor, or a license for construction or document proving the house ownership according to civil law, regulations of law on land if the house is newly built.

Article 73. Time-limited sale of housing

The seller may sell a house together with the right to use land or right to lease land of such house for a limited period of time. During the house and land ownership period, the seller must not unilaterally terminate the contract, unless otherwise agreed by both parties. The Certificate shall be issued to the buyer in accordance with Clause 1 Article 7 of this Decree.

At the end of the house ownership period written on the contract, the house shall be settled in accordance with Article 8 of this Decree.

During the house ownership period, any party that violates the purchase contract shall incur a fine and pay damages as agreed in the contract. Any dispute over the house purchase contract shall be resolved by a People's Court in accordance with law.

Chapter VII

OWNERSHIP OF HOUSING IN VIETNAM BY FOREIGN ENTITIES

Article 74. Documents proving eligibility for owning houses in Vietnam.

A foreign individual must have an unexpired passport bearing the entry seal of the Vietnam's immigration authority and not given diplomatic immunity and privileges according to Ordinance on diplomatic immunity and privileges of diplomatic missions, consular offices, and representative authorities of international organizations in Vietnam.

A foreign organization must be an entity specified in Article 159 of the Law on Housing which has investment registration certificate or a permission issued by a Vietnam's competent authority for operation in Vietnam which is still unexpired at the time of housing transaction (hereinafter referred to as investment registration certificate).

Article 75. Areas in which foreign entities may own houses

Foreign entities may only own houses (including apartments and detached houses) of commercial housing construction projects, except for those in areas having national defense and security requirements prescribed by Vietnam's regulations of law.

The Ministry of National Defense and the Ministry of Public Security have the responsibility to specify the areas having national defense and security requirements in each province and send a written notification to the People's Committee of the province as the basis for directing the provincial Department of Construction to compile a list of commercial housing construction projects whose houses must not be owned by foreign entities.

Article 76. Permissible quantity of houses owned by foreign entities

According to the notification sent by the Ministry of National Defense and the Ministry of Public Security, and the direction of the People's Committee of the province as specified in Clause 2 Article 75 of this Decree, the provincial Department of Construction shall make the following information publicly available on its web portal:

- a) A list of housing construction projects in the province which are located inside the areas in which foreign entities are not permitted to own houses;
- b) The quantity of houses (including apartments and detached houses) of each housing construction projects that foreign entities may own, provided they are not those specified in Point a of this Clause; the quantity of

apartments of each apartment building, the quantity of detached houses of each project that foreign entities may own;

c) The quantity of houses that has been purchased, leased under a lease-purchase agreement by foreign entities, provided they have been granted certificates for each of the housing construction projects;

d) The quantity of apartments that foreign entities may own in case there are more than one apartment buildings in an area whose population is equivalent to that of a ward; quantity of detached houses that foreign entities may own in case, in an area whose population is equivalent to that of a ward, there is one or more housing construction projects but the total quantity of detached houses does not exceed 2,500.

Foreign entities eligible to own houses in Vietnam may only purchase, lease-purchase houses from owners of housing construction projects, or purchase houses of the foreign entities specified in Point b Clause 4 Article 7 of this Decree, and may only receive houses as inheritance of gifts from households or individuals, or receive houses as gifts from organizations provided the quantity does not exceed the limits specified in Clause 4 and Clause 4 of this Article of the housing construction projects whose houses they may own. Where a foreign entity who is not eligible to own houses in Vietnam receives a house in Vietnam as a gift or inheritance, provisions in Article 78 of this Decree shall apply.

Foreign entities may own up to 30% of the total number of apartments of an apartment building. In an area whose population is equivalent to that of a ward, if there is more than one apartment buildings for sale or lease-purchase, foreign entities may own up to 30% of the number of apartments of each apartment building, and up to 30% of the total number of apartments of all these apartment buildings.

In an area whose population is equivalent to that of a ward, if there is a commercial housing construction project for sale or lease-purchase, the quantity of detached houses that may be owned by foreign entities is specified below:

- a) Where the quantity of detached houses of an project is fewer than 2,500, foreign entities may own up to 10% of the houses of such project;
- b) Where there is only one project whose quantity of detached houses is equivalent to 2,500 houses, foreign entities may own up to 250 houses of them;
- c) Where there are two or more projects where the total quantity of detached houses does not exceed 2,500 houses, foreign entities may own up to 10% of the houses of each project.

The Ministry of Construction shall provide specific instructions on determination of quantity of housing that foreign entities may own in accordance with Clause 3 and Clause 4 of this Article.

Article 7. Extension of time limit for foreign entities' ownership of houses in Vietnam

With regard to a foreign individual that owns a house as set out in Point c Clause 2 Article 161 of the Law on Housing, the extension of time limit for house ownership is specified below:

- a) 03 months before the expiration of the time limit for house ownership, if the owner wishes to have the time limit extended, he/she must file an application for extension which specifies the extension length and enclose it with a certified true copy of the certificate of the house, then send it to the People's Committee of the province in which the house is located;
- b) Within 30 days from the receipt of the owner's application, the People's Committee of the province shall consider and issues a written permission for one extension of the time limit for house ownership at the request of the owner. Such extension must not exceed 50 years from the original expiration date of the time limit for house ownership written on the certificate, except for the case specified in Clause 3 of this Article;
- c) According to the written permission given by the People's Committee of the province, the Certificate issue shall write the extension on the

Certificate, and send a copy of the Certificate to the Department of Construction of the same province for monitoring.

With regard to a foreign organization that owns a house for a limited period of time as set out in Point d Clause 2 Article 161 of the Law on Housing, the extension of time limit for house ownership is specified below:

a) 03 months before the expiration of the time limit for house ownership, if the owner wishes to have the time limit extended, he/she must file an application for extension which specifies the extension length and enclose it with a certified true copy of the certificate of the house, investment registration certificate that is granted an extension by a Vietnam's competent authority, then send it to the People's Committee of the province in which the house is located;

b) Within 30 days from the receipt of the owner's application, the People's Committee of the province shall consider and issues a written permission for one extension of the time limit for house ownership at the request of the owner. Such extension must not exceed the time limit written on the investment registration certificate that is granted an extension by a Vietnam's competent authority;

c) According to the written permission given by the People's Committee of the province, the Certificate issue shall write the extension on the Certificate, make a copy of the Certificate and send it to the provincial Department of Construction for monitoring.

Upon the first expiration of the house ownership period, if the foreign organization or individual is compelled to leave Vietnam or shut down the operation in Vietnam, no extension as set out in Clause 1 and Clause 2 of this Article shall be granted; their housing shall be dealt with in accordance with Clause 3 Article 8 of this Decree.

Article 78. Cases in which ownership of houses in Vietnam is not recognized

In the following cases, a foreign entity shall not be granted a Certificate of the house and may only sell or offer it to another entity eligible to own housing in Vietnam:

- a) A foreign organization or individual receives a house as an inheritance or a gift which is located in an area in which foreign entities must not own houses as set out in Article 75 of this Decree, or the quantity of which exceeds the permissible limits set out in Clause 3 and Clause 4 Article 76 of this Decree;
- b) A foreign organization that does not operate in Vietnam, or a foreign individual who is not permitted to enter Vietnam, receives a house in Vietnam as a gift or an inheritance.

The entities specified in Point a Clause 1 of this Article may directly sell or offer the houses or authorize other persons to do so; the entities mentioned in Point b Clause 1 of this Article may authorize other organizations and individuals residing or operating in Vietnam to sell or offer the houses.

The house of an entity specified in Clause 2 of this Article may only be sold or offered if the following documents are available:

- a) An offering contract, inheritance documents conformable with regulations of law on housing and civil law of Vietnam;
- b) Documents proving the house ownership of the giver or bequeather according to the Law on Housing and Article 72 of this Decree;
- c) A valid document authorizing another person to sell or offer the house if another person is authorized to do so.

Procedures for selling, offering houses of the entities specified in Clause 2 of this Article shall comply with the Law on Housing and this Decree.

Where the inheritors comprise both entities eligible to own houses in Vietnam and entities not eligible to own houses in Vietnam, the inheritors must reach a consensus on dividing the house in one of the following cases:

- a) A person eligible to own houses in Vietnam is selected to receive the Certificate of the house from the competent authority;
- b) The house is sold or offered to another entity eligible to own houses in Vietnam in accordance with Clause 2 and Clause 3 of this Article.

Article 79. Management of housing in Vietnam of foreign entities

The Department of Construction of each province shall launch a section on its web portal to post and manage information set out in Clause 1 Article 76 of this Decree.

Before signing a housing purchase, lease-purchase, offering contract, the investor or giver must check information on the web portal of the Department of Construction or request it to provide information in order to determine the permissible quantity of housing to be sold, leased under a lease-purchase agreement, or offered. The Department of Construction must provide such information within the day. The quantity of houses that may only be sold, leased under lease-purchase agreements, offered to foreign entities is specified in Article 76 of this Decree.

After signing a house purchase contract, lease-purchase contract, or offering contract, the investor or giver must send information (by email and in writing) about the address of the house to the Department of Construction of the province in which the house is located within the day in order for it to be posted on the web portal of the Department of Construction. After receiving such information, the Department of Construction must immediately check and post it on the web portal.

Before issuing a Certificate to a foreign entity, the Certificate issuer must check information under the management of the Department of Construction. After issuing a Certificate to a foreign entity, the Certificate issuer must immediately send information about the house that is granted the Certificate to the Department of Construction in order for it to be posted on the website of the Department of Construction.

Every transaction in which the quantity of housing being purchased, leased under a lease-purchase agreement, or received by foreign entities exceeds the limit specified in Article 76 of this Decree, or the house being purchased, leased-purchased, received by the foreign entity belongs to a housing construction project whose houses must not be owned by foreign entities, is invalid and not granted the Certificate. In such cases, the seller or seller/landlord must pay damages to the buyer or buyer/tenant.

The Department of Construction, investor, giver of the house, Certificate issuer that fails to promptly send notifications or publish information as set out in Clause 2, Clause 3, and Clause 4 of this Article shall take legal responsibility and pay compensation if such late notification or publication of information causes damage.

The authority competent to issue Certificates to foreign entities shall send written notifications enclosed with copies of granted Certificates (including extended ones) to Departments of Construction of provinces in which the houses are located, the Ministry of Construction, and the Ministry of Natural Resources and Environment for monitoring.

Foreign entities are prohibited to buy houses for commercial purposes.

The Ministry of Construction shall provide forms of reports on purchase, lease-purchase, and ownership of housing in Vietnam by foreign entities.

Chapter VIII

TRANSITIONAL CLAUSES

Article 80. Transitional clauses for housing development and management

From the effective date of this Decree, the housing construction projects specified in Clause 2 Article 17 of the Law on Housing must have a uniform name and their execution must comply with provisions of the Law on

Housing, this Decree, regulations of law on construction, and relevant regulations of law.

In case an application for approval for investment policies or decision on investment policies of a housing construction project has been submitted before the effective date of this Decree but the competent authority has not issued a written approval for or decision on investment policies as set out in the Law on Housing and this Decree, the applicant is only required to submit additional necessary documents specified in this Decree or adjust the contents of the submitted application according to the Law on Housing and this Decree.

In case a competent authority has initiated the process of selection of investor in the housing construction project before the effective date of this Decree but has not issued a decision on investor selection by the effective date of this Decree, the investor selection process shall be continued in accordance with this Decree.

In case a housing construction projects approved before the effective date of this Decree has to be revised as set out in Clause 1 Article 182 of the Law on Housing, the investor must revise the project content. If the revision is subject to approval by a the competent authority or issuance of a decision on investment policies, the investor must submit a document requesting the competent authority to revise the written decision on or approval for investment policies in accordance with this Decree before approving the revisions to the project and implementing them.

Determination of existing housing and off-the-plan housing:

a) Existing housing means housing that has an acceptance record and put into operation according to regulations of law on construction. In case of a housing built by the investor himself/herself according to regulations of law on construction (it is not required to be built by a capable unit), it is required to have an electricity and water supply system, fire safety system (if the house is required to have a fire safety system);

b) Off-the-plan housing means any housing that fails to meet the requirements specified in Point a of this Clause.

From the effective date of the Law on Housing, the housing construction projects and areas of housing construction projects specified in Clause 2 Article 17 of the Law on Housing must be named in accordance with Clause 3 Article 19 of the Law on Housing and provisions of this Decree. The projects and areas therein whose names are not conformable with this Clause shall not be recognized by law. Every transaction related to a housing construction projects must use the names approved by a competent authority.

With regard to a commercial housing construction project whose name and names of areas therein in a foreign language have been approved before the effective date of the Law on Housing, if the investor file a written request for permission to change the name of the project or areas therein as set out in Clause 3 Article 19 of the Law on Housing, the People's Committee of the province in which the project is located shall consider granting a permission to change the names. Every transaction related to such project must use the names approved by a competent authority.

In case a business registration document issued by a competent authority indicates that an apartment is used as business location before the effective date of the Law on Housing, the organization, household, or individual granted with such business registration document must move the business to another location other than an apartment within 06 months from the effective date of this Decree. The competent authority that issued the business registration document must initiate procedures for changing the business location on the business registration document issued to the organization, household, or individual into another location by the deadline specified in this Clause. After this deadline, the organization, household, or individual must not do business at the apartment.

In case a management board of the apartment building has been established before the effective date of the Law on Housing and wishes to reorganize its organizational structure as set out in the Law on Housing, an apartment building convention must be held to reestablish the management board in accordance with the Statute on management and use of apartment buildings promulgated by the Ministry of Construction.

From the effective date of the Law on Housing, housing warranty shall be carried out by the deadlines specified in Clause 2 Article 85 of the Law on Housing. The warrant period begins when the construction is completed, the house is accepted and put into operation.

From the effective date of the Law on Housing, every apartment building (including those intended for both residential purpose and other purposes) must have a community house which complies with established standards and regulations.

With regard to a apartment building that is built before the effective date of the Law on Housing and its design has an area intended to build a community house, the investor must provide an area to build the community house according to the approved design. If its design does not have an area intended to build a community house but has an area for business, the investor and owners may reach an agreement that allows the owners to buy or lease part of such area to build a community house.

The community house shall be operated by the apartment building management board or apartment building operating unit as decided by the apartment building convention. The community house must be used to serve activities of the community of owners and users of the apartment building. It is prohibited to use the community house to serve personal purposes of owners, users of the apartment building, for lease, lending, or use for purposes other than serving common activities of investors and users thereof.

Article 81. Transitional clauses for housing transactions

Where a competent authority has determined the rents or lease-purchase prices of a state-owned social housing before the effective date of this Decree, but has not issued them by the effective date of this Decree, then the rent and lease-purchase prices shall be determined and issued in accordance with this Decree.

Where a person using a state-owned houses is a party to the housing lease contract which does not expire by the effective date of this Decree, the parties are not required to re-conclude the lease contract. When the contract expires, the house-operating unit has the responsibility to perform a check. If the tenant is still eligible to lease the house and wishes to do so, the parties shall renew the lease contract. If the tenant does not wish to keep leasing it or is not eligible to lease it as set out in the Law on Housing and this Decree, the house-operating unit shall send a written notification to the tenant in order to terminate the lease contract and return the house to the landlord in accordance with this Decree. If the house is not returned, it will be withdrawn in accordance with this Decree.

Transitional clauses for sale of state-owned old houses:

a) Where an application for housing purchase has been submitted before June 06, 2013 and such house is eligible to be sold according to regulations applicable at the time of application submission and this Decree, it shall be sold at the selling price and under the mechanism for reduction/exemption of selling price of Decree No. 61/CP. Where an application has been submitted before June 06, 2013 but the house is not eligible to be sold according to regulations applicable at the time of application submission but eligible to be sold according to this Decree, it shall be sold in accordance with this Decree;

b) Where an application for housing purchase has been submitted during the period from June 06, 2013 to the date before the effective date of this

Decree and the house is eligible to be sold according to this Decree, it shall be sold in accordance with Decree No. 34/2013/NĐ-CP;

c) A housing specified in Point d Clause 2 Article 65 of this Decree whose selling price is approved by a competent authority before the effective date of this Decree shall be sold at the approved price, except for the case specified in Point e Clause 2 Article 69 of this Decree. Where the state ownership representative authority fails to approved the selling price by the effective date of this Decree, it shall be sold at a price conformable with this Decree.

Where a buyer of a commercial housing (including any household or individual that buys a commercial housing for relocation) has received the house from the investor but has not submitted the application for the Certificate to the competent authority, such buyer may transfer the house purchase contract as instructed by the Ministry of Construction.

With regard to housing purchased by a foreign entity before the effective date of the Law on Housing, the time limit for house ownership begins on the issuance date of the Certificate. The owner may have the time limit for house ownership extended in accordance with this Decree. During the time limit for house ownership or before its expiration, the owner shall exercise his/her rights and obligations to such house in accordance with the Law on Housing and this Decree.

Where a housing contract has been concluded before the effective date of the Law on Housing and the contract content is conformable with relevant regulations of law applicable at that time but contravenes provisions of the Law on Housing, the parties shall keep executing the concluded contract unless they reach a consensus on revising it according to the Law on Housing and this Decree.

From the effective date of this Decree, every housing transaction must comply with regulations on transaction methods, conditions for making transactions, transaction procedures, content and forms of housing contracts provided for by the Law on Housing, this Decree, and instructions of the Ministry of Construction. Any transaction that fails to comply with

such regulations is not valid. The transactions that involve purchase, lease, lease-purchase of state-owned houses (including villas, row houses, apartments), relocation housing, purchase of commercial housing as official residences or relocation housing must comply with the contract forms and content provided for by the Ministry of Construction.

With regard to any capital contribution contract, investment cooperation contract, business cooperation contract concluded before the effective date of this Decree and allows distribution of 20% of the housing products under the Government's Decree No. 71/2010/NĐ-CP, such quantity of housing shall be divided as agreed in the contract. The parties shall finalize this contract and conclude a new house purchase contract when the requirements for selling the house are satisfied as set out in regulations of law on real estate trading and this Decree.

From the effective date of this Decree, the mortgage of housing construction projects, off-the-plan housing, and right to property derived from house purchase contracts, lease-purchase contracts, project transfer contracts, and other right to property related to housing and housing construction projects that can be mortgaged as prescribed by law must be carried out in accordance with the Law on Housing and this Decree. The mortgages of housing construction projects, off-the-plan housing, and right to property related to housing, housing construction projects set out in this Clause that contravenes the Law on Housing and this Decree are invalid and not recognized by law.

The registration of mortgage of a housing construction project, off-the-plan housing, and right to property related to housing and housing construction project set out in this Clause shall be carried out in accordance with regulations of law on registration of secured transactions. Collateral mentioned in this Clause shall be dealt with in accordance with civil law and relevant regulations of law.

Article 82. Transitional clauses for development and management of relocation housing

Where the investor has completed procedures for approving a housing construction project serving relocation by the effective date of this Decree but the competent authority has not approved the project, the project shall be approved in accordance with the Law on Housing and this Decree. The investor is only required to provide necessary documents and revise the project documents according to the Law on Housing and this Decree instead of starting over the project approval procedures.

In case a competent authority has approved the plan for compensation, support, and relocation before the effective date of this Decree, the approved plan shall be implemented.

With regard to a apartment building serving relocation funded by the capital sources specified in Clause 3 Article 36 of the Law on Housing, the buyers and lease-purchases must pay the fee for maintenance of shared area as set out in Article 108 of the Law on Housing.

Where a apartment building serving relocation has an area intended for business according to the approved project, after deducting reasonable business costs, the People's Committee of the province may use the revenue from such business to provide subsidies on maintenance of shared areas of local apartment buildings (including maintenance of elevators, fire safety system, water pumps, generators, lightning arresters, outer sides of apartment buildings) and part of building operation costs.

Article 83. Transitional clauses for Housing Development Fund

Housing Development Funds of provinces that have been established before the effective date of this Decree shall keep operating under their charters approved by the People's Committees of the provinces Depending on local conditions, the People's Committee of each province shall request the People's Council of the same province to decide funding from local budget for Housing Development Fund in order to grant social housing development loans locally.

Local governments of provinces without a Housing Development Fund that wish to establish one shall submit a report to the Prime Minister for consideration, or authorize the local Development Investment Fund to manage the Housing Development Fund.

Chapter IX

IMPLEMENTATION

Article 84. Responsibility of relevant Ministries and agencies

The Ministry of Construction has the entitlements and responsibilities below:

- a) Perform the assigned duties specified in Article 175 of the Law on Housing and this Decree;
- b) Provide guidance on and urge the implementation of the Law on Housing and this Decree; disseminate mechanism and regulations of law on housing;
- c) Decide permission to convert commercial housing construction projects into social housing construction projects or relocation housing construction projects, or decide changes of ratio of areas for commercial housing and social housing of housing construction projects having 500 houses or apartments or more in order to regulate the real estate market according to

the government's policies, the Prime Minister's requirements, or at the request of the People's Committees of provinces; decide conversion of relocation housing or relocation housing construction projects into social housing or commercial housing at the request of the People's Committees of provinces;

d) Suspend projects whose investment policies have been decided or approved by the People's Committee of the province and projects that have been approved by competent authorities but are not conformable with local housing development program/plan or do not have detailed construction planning approved by a competent authority; suspend projects that fail to satisfy requirements set out in the written decision on or approval for investment policies issued by a competent authority, or projects that violate regulations on raising capital, conditions for buying, selling, leasing/selling housing.

The Ministry of Finance has the entitlements and responsibilities below:

a) Take charge and cooperate with the Ministry of Construction in providing specific instructions on collecting money for leasing, lease-purchasing, selling state-owned houses specified in Article 44 of this Decree;

b) Provide specific instructions on collecting taxes and other amounts when the owner sells or transfers the contract to sell/buy/lease-purchase/offer/exchange housing, or contribute housing as capital;

c) Provide instructions on the for paying the difference in the rent for official residences specified in Clause 2 Article 52 of this Decree, and perform other duties specified in this Decree.

The Ministry of Natural Resources and Environment shall take charge and cooperate with the Ministry of Construction in providing instructions on implementation of Clause 3, Clause 4 Article 6, issuance of Certificates in Clause 7, disposal of Certificates upon expiration of time limits for house ownership in Article 8, extension of Certificates in Clause 1 and Clause 2 Article 77 of this Decree, compensation, support, and relocation when the State withdraws land in case of time-limited housing purchases.

The State bank of Vietnam has the entitlements and responsibilities below:

- a) Take charge and cooperate with the Ministry of Construction, the Ministry of Justice, the Ministry of Natural Resources and Environment in establishing and providing instructions on procedures for getting and redeeming mortgages that are housing construction projects, off-the-plan housing, and right to property related to housing construction projects, off-the-plan housing specified in the Law on Housing and Clause 8 Article 81 of this Decree;
- b) Provide specific instructions for foreign entities and Vietnamese citizens residing overseas to make payment via credit institutions when buying, lease-purchasing houses in Vietnam; for foreign entities and Vietnamese citizens to transfer of money to abroad when selling, leasing out houses under lease-purchase agreements in Vietnam.

Other relevant Ministries and agencies, within the scope of their duties, have the responsibility to establish or amend regulations on housing according to the Law on Housing, this Decree, and cooperate with the Ministry of Construction in implementing the Law on Housing and this Decree.

Ministries and agencies having old houses under their management must transfer it to the People's Committees of the provinces in which the houses are located in accordance with this Decree. Old houses under the management of the Ministry of National Defense shall be managed, leased out, and sold by the Ministry of National Defense in accordance with this Decree, except for the cases specified in Clause 2 Article 64 of this Decree.

Article 85. Responsibility of local governments for housing management

The People's Committees of provinces have the entitlements and responsibilities below:

- a) Implement their roles in local housing management;

- b) Providing funding for development of local housing development programs/plans in accordance with this Decree and instructions of the Ministry of Construction; direct the development and implementation of such programs/plans after they are approved;
- c) Provide land area for development of each type of housing as prescribed by the Law on Housing and local housing development programs/plans that are approved, which specify the areas for building social housing for lease; decide the land price factor (k) when selling state-owned old houses specified in Point d Clause 2 Article 65 of this Decree;
- d) Publish local housing construction projects on the web portals of the People's Committee and Departments of Construction of the province as set out in Clause 5 Article 19 of the Law on Housing, approved housing development programs; direct the Department of Construction to publish on its website information about housing eligible for sale, lease-purchase, capital raising specified in Article 19 of this Decree, list of local commercial housing construction projects that do not permit foreign entities to own specified in Clause 1 Article 76, and information in Article 79 of this Decree;
- dd) Provide for the management, use of villas and apartment buildings; provide guidance on sale, lease, lease-purchase of state-owned houses, relocation housing depending on local conditions; enforce withdrawal of state-owned houses in accordance with Article 84 of the Law on Housing and this Decree; enforce the transfer of fees for maintenance of shared area of apartment buildings in accordance with this Decree;
- e) Establish criteria, procedures for determination of, and compile a list of houses having artistic, cultural, historical values (including ancient villas and houses); decide the establishment of a council in charge of compile this list and issue a decision to approve such list in accordance with the Law on Housing, this Decree, and relevant regulations of law;
- g) Appoint officials, assign tasks to relevant local agencies to develop and manage housing in accordance with the Law on Housing and this Decree; direct, provide instructions on, and inspect local housing development and management works; deal with violations; settle disputes, complaints, and

denunciations related to housing under their management, or request a competent authority to deal with them as prescribed by law;

g) Amend legislative documents on housing within their jurisdiction to conform to the Law on Housing and this Decree; provide training in and disseminate legislative documents on housing; encourage local entities to implement regulations of law on housing;

i) Take charge or cooperate with relevant Ministries and agencies in performing given duties in accordance with the Law on Housing, this Decree, and relevant regulations of law;

k) Submit annual and extraordinary reports on implementation of the Law on Housing and this Decree locally to competent authorities;

l) Perform other duties specified in the Law on Housing, this Decree, and relevant regulations of law.

Departments of Construction shall assist the People's Committee of the same province in local housing management.

The People's Committees of districts are responsible for local housing management within the scope of their duties as directed by the People's Committee of the province and in accordance with regulations of law on housing.

President of the People's Committees of provinces, Presidents of the People's Committees of districts, heads of relevant local agencies are legally responsible for any delay or failure to correctly implement the Law on Housing, this Decree, and legislative documents on housing.

Article 86. Central Steering Committee on Housing Policies And Real Estate Market

The Prime Minister shall decide the establishment of Central Steering Committee on Housing Policies And Real Estate Market which assists the Prime Minister in studying, directing, and resolving important and

interdisciplinary issues related to policies of management, development of housing and real estate market nationwide.

Central Steering Committee on Housing Policies And Real Estate Market has the duties and entitlements below:

a) Direct, instruct, and inspect the implementation of housing development programs, policies on housing and real estate market of Ministries, regulatory bodies, and local governments;

b) Make comments about major and important policies related to housing and real estate market;

c) Propose to the Prime Minister and competent authorities amendments or suspension of legislative documents on housing and real estate market that are promulgated by Ministries, regulatory bodies, and the People's Committees of provinces against regulations of law on housing and real estate market;

d) Presidents of the People's Committees of provinces shall decide establishment of Provincial Steering Committees on Housing Policies And Real Estate Market which assist them in directing the implementation of policies related to housing and local real estate markets;

dd) Functions, tasks, entitlements, and organizational structure of the Central Steering Committee and assisting organizations shall be specified by the Prime Minister, that of provincial Steering Committees shall be specified by Presidents of the People's Committees of provinces. Funding for operation of Steering Committees shall be provided by state budget of the same level.

Article 87. Effect

This Decree comes into force from December 10, 2015.

The following Decrees are annulled from the effective date of this Decree:

- a) The Government's Decree No. 51/2009/NĐ-CP dated June 03, 2009 on guidelines for some Article of the National Assembly's Resolution No.19/2008/QH12 dated June 03, 2008 on pilot permission for foreign entities to buy and own housing in Vietnam;
- b) The Government's Decree No. 71/2010/NĐ-CP dated June 23, 2010 elaborating and providing guidelines for the Law on Housing;
- c) The Government's Decree No. 34/2013/NĐ-CP dated April 22, 2013 on management and use of state-owned houses;
- d) The Government's Decree No. 84/2013/NĐ-CP dated July 25, 2013 on development and management of relocation housing.

With regard to provisions related to housing development (including decision, approval for investment policies of housing construction projects), house ownership, management and use of houses, housing transaction, state management of housing in the Government's Decrees, the Prime Minister's Decisions, legislative documents of Ministries, regulatory bodies, and the People's Committees of provinces promulgated before this Decree that contravene provisions of this Decree, provisions of this Decree shall apply.

Article 88. Responsibility for implementation

Ministers, Heads of ministerial agencies, Heads of Governmental agencies, Presidents of the People's Committees of provinces are responsible for the implementation of this Decree./.

ON BEHALF OF THE GOVERNMENT

THE PRIME MINISTER

Nguyen Tan Dung