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New tactic employed for tackling unsold apartments

Property enterprises have varied the apartment-for-rent model aiming to slash their apartment inventory, with one of the solutions asking for no monthly rentals from tenants but a deposit.

Nguyen Van Duc, deputy director of Dat Lanh Real Estate Co., said that the firm was sounding out the market?s reactions after launching 22 apartments of the Thai An project in HCMC?s District 12 which has an area of 22 square meters each.

With this model, tenants give the project investor a deposit of VND200 million and then can live in the apartment from six months to two years. Tenants do not have to pay the rentals but the fees for apartment management and parking service.

Tenants can either get VND200 million back if they do not want to live in the apartment anymore or buy it if they want to.

Although it is said that tenants do not have to pay month rentals, that tenants making a VND200-million deposit without enjoying the interest sum is in fact a form of rentals.

Talking about this model, Duc said that amid difficulties, every enterprise had to find ways to survive. The new model is a way to mobilize capital for the firm to continue its operations and sell apartments, he added.
The Saigon Times Daily