

*Incomes of many real estate brokers in HCMC fell 80 percent year-on-year in June because the Covid-19 outbreaks have rendered the property market stagnant.*



Toan, a realtor, said because of poor sales in the last 12 months, the company he works for had to close two branches in the south and the west of HCMC last month, when his income was already one-fourth of what he got the same month last year.

Most of his colleagues quit, while some others shifted to work as contributors with a meager basic monthly salary.

There were no new real estate projects, the secondary market was stagnant, it was more difficult to please potential apartment buyers, and properties for rent were on the shelf in the pandemic outbreak, so realtors could earn no commissions, he said.

Another real estate agent, Minh, said he has incurred significant losses after spending money on marketing campaigns but recording no sales in June because all potential buyers postponed transactions, waiting for the pandemic to be contained.

"My monthly salary is around VND7 million (\$304), but marketing costs are over VND10 million, so I have lost nearly VND4 million," he said.

Nguyen Loc Hanh, CEO of the Asia Gem Real Estate Investment Joint Stock Company, said the ongoing fourth wave of Covid-19 has hurt not only real estate agents, but also the companies.

In HCMC, some 80 percent of property brokerage firms, which have 50-70 realtors, have struggled since last year. Most of them have had to cut down on staff, close offices or branches, slash basic salary by 30-50 percent, or pay salaries late. The income of realtors at small and medium firms in June declined 60-80 percent year-on-year.

Hanh said that some firms have borrowed money to pay salaries, wanting to maintain operations and wait for opportunities in the post-pandemic period.

Many property brokerage companies are likely to continue to see poor revenues in the third, even the fourth quarter of this year, he said, adding that smaller firms are likely to go bankrupt, while bigger ones downsize.

"Now, the incomes of realtors at big brokerage firms have decreased 40-50 percent against the last six months," Pham Lam, vice chairman of the Vietnam Association of Realtors, told *VnExpress*.

The pandemic has kicked a large number of small and medium real estate brokerage companies out of the market, making many realtors redundant, he said, adding that some of them will seek ways to work for bigger firms.

Source: *VNE*