

New hotel zone plan for Ngapali Beach



Ngapali Beach

The Rakhine State government is planning a new hotel zone near Ngapali Beach for long-term sustainable tourism. As there were some hotels in the area that were built without following regulations, the government was considering this. The exact location is not confirmed yet as it was still at planning stage. According to the Hotel and Tourism Ministry's directives for the beach areas, buildings could not be higher than 30 feet. Ngapali now has 26 hotels offering 878 rooms. There are 18 hotels with 615 rooms still under construction. Tourism in Ngapali has been growing for the last 18 years. International arrivals had grown 20 percent last year from 38,555 in 2015 to 43,440 tourists in 2016. Local visitor numbers were also up from 15,665 in 2015 to 20,879 in 2016.

Learnt From: Myanmar Times (March, 6, 2-16)

Property market needs effective sales approach: agents

Real estate agents have faced that the cause for the drop in property sales is due to ineffective sales strategies used by construction entrepreneurs. Although construction entrepreneurs are eager to expand their projects, rising business are still weak in securing a market. When selling estates, it is extremely important to create a market suitable for potential buyers to buy conveniently. Before the actual project is started to sell, first it is needed to find the target market and calculate potential buyers so that it can be easily strategized on how to sell best these properties to the buyers. Moreover, the entrepreneur should sell the apartments in separate phrases and a portion of

the apartments in each phase instead of selling all the apartments at the same time. In other countries, if they start selling any housing projects, they can also rent out. Companies provide services for buyers who want to rent out their apartments. But that kind of service is not exit in Yangon yet. People who do not own apartments want to buy through instalments, but firms have difficulties in selling through instalments through banks which means Myanmar needs to develop its banking system. To be strong in the real estate market, the necessary legislation should be prescribed in time. The condominium law needs to be enforced as soon as possible so that expatriates and international developers can purchase property and housing projects, which will then boost the real estate market.

Learnt From Myanmar Times (March 2, 2017)

Government to Tackle Issues Over Land Pricing, Transparency in Yangon Southwest New City Project

According to a chief minister of the government, the Yangon Southwest New City land development project is resumed this month. The government is planning to set up a public company to become joint venture partnerships with local construction companies for smaller construction projects, while larger constructions will be developed under a government-to- government (G2G) arrangement. Moreover, the construction proposals from Japan and South Korea has already been received. The project is located on 11716 acre site bordered by the Pan Hlaing River, the Twante Canal, the Hlaing River and Hlaingthayar-Thante Road on the outskirts of western Yangon. The USDP-led government has initially awarded the project, which covered a 30,000 acre site, to little known Myanma Satanar Myothit Public Company, with links to two Chinese investors but was forced to suspend the project amid public backlash. The incumbent NLD government set out to review the project and revised it to its current form. Considering the scope of Yangon's potential population growth, the satellite town will include residential developments, factories, workshops

and other business. This project is just one of several developments proposed in the Greater Yangon Strategic Development Plan for 2040, developed by the Japan International Cooperation Agency. The plan will incorporate 10 million people by 2040 and it will see the government building new cities in Northeast Yangon, Htantabin Township, Hmawbi Township and Hlegu Township. The proposals for the satellite town projects have been submitted and are awaiting approval in Yangon parliament, the next step will be from the union parliament and the ministry of planning and finance.

Learnt From: Myanmar Business Today (March 6, 2017)

Real estate law in pipeline

According to the Myanmar Real Estate Services Association, Real estate law is to be passed by Parliament later this year. It's time to adopt a real estate law for Myanmar. The MRESA said they had support from ministries and attorney-general's office when they made the proposal. After the discussions in Nay Pyi Taw, the discussion results are collected and sent a report to the parliamentary legal affairs commission. The bill was submitted to the commission on August 26 last year and hopefully the law would be adopted this year. The law would force the consultants to apply for licenses. Whoever a freelance or an agency, have to hold licenses. It may also help establish a kind of real estate council which will give training and diploma courses. As a result, it will be able to protect the property market from speculators and maintain a stable market.

Learnt from: Eleven Myanmar (March 28, 2017)

Shwe Taung and AYA Bank sign mortgage loan agreement

Shwe Taung Development Company Limited and AYA Bank signed an agreement on mortgage loan service in order to sell affordable apartments to people through a 15-year housing loan plan. The mortgage loan is the first longest housing loan plan in the real estate market in Myanmar. As soon as the initial payment 40 percent of total cost has been paid, the apartment can be used. Shwe Taung

and AYA Bank aiming together for Myanmar citizens to be able to own their own affordable apartments. By joining with AYA Bank, the apartments of Hilltop Vista Condominium and Crystal Residence Condominium built by Shwe Taung Development Company Limited can be purchased with the mortgage loan service system.



Crystal Tower

The apartments was started selling at Aqua Hall of Junction Square in Yangon since March 22 to 24. Prices for the apartments range from K300 million (roughly \$290,000) to K700 million. The interest rate on the loan will be 13 percent per year but is variable. The Hilltop Vista Condominium on Min Ye Kyaw Zwar street in Lanmadaw township, has 241 apartments, while the Crystal Residence, near Junction Square shopping center in Sanchaung will offer 261 apartments and a rooftop pool when finished.

Learnt From: Eleven Myanmar (March 22, 2017)

Construction Association to Take Over Low Cost Housing Projects



Low Cost Housing Project in Outskirts of Yangon

The Myanmar Construction Entrepreneurs Association has taken over responsibility for the government's affordable and low-cost housing scheme, which aims to build one million homes by 2030. The Ministry of Construction has said public private partnerships will be needed to fulfil the scheme's goal of one million homes. 200,000 to 300,000 apartments combining projects of private companies and government will be built in a five-year project. The last five-year project was not able to reach the target quantity of apartments. As more funds from the government have been gained, the more housing projects will hopefully be able to build in the following five years. The association says it is looking for long-term loans from Japan and technical assistance from international organizations. As people are suffering from higher interest rates on the loan, Japan is planning to provide loan to Myanmar about 15 billion yen. The MCEA will not have control over projects that have already started but will take on new projects assigned by the government from now on.

Learnt from: Myanmar Business Today (March 22, 2017)

First Phase of Fortune Plaza Complex to Finish in December- Developer

The first phase of Fortune Plaza project, a complex of offices, shops and apartments in eastern Yangon, will be completed in December this year. The construction began in 2015 by the Shwe Yat Wun Company and phase one is now two thirds complete.



Photo Credit to MMBiz today

The first phase is 16 acre wide and will include a shopping mall, residential units and car parking space. Rather than rent, the project will sell, the units in the residential buildings and will lease retail space in the shopping mall. Two thirds of the first phase is already finished and the second phase of the project will hopefully be finalized in the end of 2019. After the whole project is completed, there will be 65 commercial and residential mixed-use units on three stories and more than 600 retail spaces in the shopping mall. The company is now selling and leasing units for phase one and has offered an installment programme. The company is planning on working with Myanmar Apex Bank to offer a five-year installment programme to buyers. Prices for the units start from approximately \$280 per square foot.

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