

Yangon Land Price Climate

High-ranking Townships Analysis on the Property Benchmark List (2017-2018)

The report is about analyzing the released Property Benchmark List of Yangon Region for levied year 2017-2018 and highlighting the improvements of new townships which are involving as important roles of the commercial city, Yangon.

In September 2017, the Ministry of Planning and Finance released Property Benchmark List for every region in Myanmar as an effort to counterbalance economic shocks and downturns. For every regional report, each property benchmark list consists of standardized land price for every individual street categorized by townships. Since the year 2013, the former government introduced the system of assessment based on a list of property values, which breaks down the price of a property per square foot in each street of every township in order to carry out property valuation to collect tax every year. The benchmark report can be applied in property transactions and the purpose is to estimate the value of sales on property market and tighten tax controls. Appraised prices for lands are categorized into street level in each township, and to floor level for condominium and apartments. In most districts, the values refer to Kyats per square foot, whereas in other lands IRD specified price per plot or price per acre.

Among the released regional land price lists, here we would like to discuss about the main commercial city, Yangon's new released property price rate for 2017-2018 property transactions. At first, the Internal Revenue Department (IRD) cooperate with local property agents to update the property prices every year and prices are determined by committees at township level and put together by a regional committee for final approval by the Yangon Regional government. According to the real estate insiders, this year property prices are said to be 10 percent lower than last year and by reducing the price, the Ministry is trying to attract investment in the real estate sector while generating more tax revenue, part of a concerted effort to help the market rebound and limit chronic tax avoidance. Apart from the laws, rules, and regulations for buildings and lands, here we would like to point out how Yangon property market is changing and developing through time by analyzing the report.

Average Land Prices for Townships in Yangon

Administratively, Yangon Region can be divided into 43 townships; 31 townships representing over 70 percent of the population in the region, together from Yangon city area so called YCDC townships and the 12 townships that are not part of the city. With such a wide variety for the characteristics of townships, one could expect that different types of townships would have different organizational arrangements as well as different provisions for citizen participation. In practice, Yangon can be described into 4 districts and we can consider the average land prices for each township as in the table given below.

District	Township	Average Land Price (MMK/ft ²)	District	Township	Average Land Price (MMK/ft ²)
Yangon (West)	Ahlon	125,000	Yangon(South)	Mingala Taung Nyunt	144,118
	Bahan	199,898		Dala	***
	Dagon	264,524		Dawbon	48,750
	Kyauktada	243,750		Tarmwe	127,045
	Kyeemyindaing	109,091		Thaketa	37,345
	Lanmadaw	237,500		Yankin	154,423
	Pabedan	243,182		Bothtaung	241,923
	Sanchaung	163,000		Pazundaung	179,286
	Seikkan	1,544		Seikkyi Kha Naung To	1,544
Yangon (East)	Thingangyun	114,000	Yangon (North)	Insein	96,870
	North Okkalapa	***		Hlaing	150,750
	South Okkalapa	110,769		Hlaing Tharyar	***
	East Dagon	***		Kamaryut	230,217
	North Dagon	***		Mayangon	150,000
	South Dagon	***		Mingalardon	23,070
	Dagon Seikkan	***		Shwepyithar	***

***Please note that, as some townships marked by *** do not include average prices as the IRD levied the land prices per land with no accurate land area specification.

High-ranking Townships Analysis of Yangon based on the Property Benchmark List (2017-2018)

According to the Property Benchmark List, the highest land price can be found in Bahan, Mayangone, Sanchaung, Hlaing, Kamaryut and Yangon Township with 400,000 MMK per square foot. In particular, the highest-ranking lands are located along with Pyay road which belongs to Mayangone Township, Sanchaung Township, Hlaing Township and Kamaryut township and Kaba Aye Pagoda road on Mayangone and Bahan townships and Kaba Aye Zay Ti Road on Yankin township as indicated in the table below.

Highest Ranking Townships	Road	MMK/ ft ²
Bahan	Kabar Aye Pagoda Road	400,000 MMK/ft ²
Mayangone	Pyay Road, Kabar Aye Pagoda Road	400,000 MMK/ft ²
Sanchaung	Pyay Road	400,000 MMK/ft ²
Hlaing	Pyay Road	400,000 MMK/ft ²
Kamayut	Pyay Road	400,000 MMK/ft ²
Yankin	Kabar Aye Zayti Road	400,000 MMK/ft ²

Among those townships with the highest land prices, we would like to highlight high potential townships for the property market. These are Yakin, Kamayut and San Chaung Townships which have been dramatically developing through time.

As Yankin township is planned as a branch of the central business area of the city since 2016, the township is becoming a new commercial center with new developments including HAGL Myanmar Center, Golden City, the Central and other residential projects are still on going. As part of Yangon city master plan, YCDC targeted a business district in five of the city’s townships including Yankin township and therefore, many investors eyed on the township with strong attention to establish large projects. Besides, Yankin is a thriving commercial leading shopping destination in Yangon, attracting consumers around the city. Therefore, the main commercial road of Yankin, Kabar Aye Zayti road is listed as one of the highest-ranking land location. As a result of high developing progress, Yankin township has been crowded as many people staying there, it also comes alive as a residential area with new condos and apartments taken place.

As one of the most prosperous areas in Yangon, Kamayut township is in a quick progress by upgrading the market. Kamayut township is also known as “college town” of Yangon and also as a prime up market area as on highest ranking Pyay road which cuts across the township is lined with many education and media related institutions. Besides, Kamayut township is also home to Junction Square Center which area is now getting full due to the surrounding mega projects including Times City, and crystal tower and residences. Therefore, it is very interesting to see Kamayut township is listed by belonging one of the highest-ranking roads with 400,000 MMK per square foot.

Taking about the high growth townships, Sanchaung township which is dramatically developing through time should not be forgotten to be included on the list. The population of township is getting dense with

many retails, private hospitals, restaurants, groceries, cafes, bars, private companies and many choices of residential areas. San Chaung Township is the place where not only locals but also foreigners consider as one of the best options to stay or do business. The township belongs to Yangon West district and bounded to the east by Kamaryut Township and Bahan Township, to the west by Kyeemyindaing Township and Ahlone township and Dagon Township in the south. As the population is getting increase in San Chaung township area, new developmental projects are taking place including Sanchaung Garden Residence which is expecting to be finished by December, 2018. Due to those convenient facts, the land prices of the township are getting high with the highest ranking on the Pyay Road and other commercial roads range between 225,000 to 300,000 MMK per one square foot. Nevertheless, the township still needs a better management in transportation system as the occupancy rate is rising strongly.

High-ranking areas of Apartments and Condos in Yangon based on the Property Benchmark List (20172018)

Generally, apartment and condominium prices are affected by the supply by the developers and demands by the residents, which in turn reflected by local market and expectations as well as the economy. For this year condominium market, the government confirmed that the highest areas are mostly located in downtown area and other commercial townships as in the table. For the commercial areas of those townships, the highest condominium price is in range between 100,000 and 150,000 MMK per square foot on the main road and 90,000 and 100,000 MMK per square foot for the other roads respectively. For the residential area, price ranges are in between 75,000 and 85,000 MMK per square foot for main road and in the range of 65,000 to 75,000 MMK for other roads as in the table.

Township	Road Type	2017-2018 Benchmark(MMK) for Condominium					
		Commercial Area			Residance		
Lanmadaw, La Thar, Pabedan, Kyauktada, Bo Ta Htaung, Dagon	Main Road	100,000	~	150,000 MMK/ft2	75,000	~	85 ,000 MMK/ft 2
	Wide Road/ Inside Road	90,000	~	100,000 MMK/ft2	65,000	~	75 ,000 MMK/ft 2
Bahan, Pazun Taung, Kamayut, Mayangone, Mingalar Taung Nyunt, San Chaung	Main Road	100,000	~	150,000 MMK/ft2	75,000	~	85 ,000 MMK/ft 2
	Wide Road/ Inside Road	90,000	~	100,000 MMK/ft2	65,000	~	75 ,000 MMK/ft 2

For apartment values in Yangon, the Benchmark List indicates the prices categorized by floor level and the highest values are located in downtown area of Yangon. Although downtown area is still considered as the highest market area for the apartment transactions, Bahan, Pazun Taung, Kamayut, Mayangone, Mingalar Taung Nyunt, San Chaung townships are also on high demands for apartment market.

Township	Storey	2017-2018 Benchmark(MMK) for Apartment		
		Inside the road	Wide Road	Main Road
Lanmadaw, La Thar, Pabedan, Kyauktada, Bo Ta Htaung, Dagon	Ground Floor	67,000 MMK/ft2	82,000 MMK/ft2	101,500 MMK/ft 2
	First Floor	52,000 MMK/ft2	63,000 MMK/ft2	77 ,000 MMK/ft 2
	Second Floor	44,000 MMK/ft2	55,000 MMK/ft2	66 ,000 MMK/ft 2
	Third Floor	37,000 MMK/ft2	49,000 MMK/ft2	58 ,000 MMK/ft 2
	Forth Floor	32,000 MMK/ft2	42,000 MMK/ft2	50 ,000 MMK/ft 2
	Fifth Floor	28,000 MMK/ft2	36,000 MMK/ft2	44 ,000 MMK/ft 2
	Sixth Floor	24,000 MMK/ft2	33,000 MMK/ft2	38 ,000 MMK/ft 2
	Seventh Floor	19,000 MMK/ft2	25,000 MMK/ft2	31,000 MMK/ft2

By scanning through the property benchmark prices for 2017-2018 levied year, almost all the areas in Yangon have been developed dramatically but the appraisal values reflect the current market rates. However, the IRD announced that they will revise the land values to be more accurate and will be updated again soon.

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