

What's Happening in Myanmar Market & Valuation

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Government changes rules to increase foreign investment

ミャンマー政府は、海外からのさらなる投資促進を目的として従前からのルール変更を行い、州や地方(region)の投資委員会として、US500 万ドル(60 億チャット)相当の誘致を行うことができることとなった。

Learnt From: Eleven Myanmar (Jan 5, 2017)

Property prospects positive for 2018, real estate agents say

不動産業界は、2017 年末のコンドミニアム法規則の施行によって、2018 年の不動産市場は好転することを期待している。

Learnt From: Myanmar Times (Jan 9, 2018)

More than 1200 Apartments for Sale in Two Low Cost Housing Projects

ヤンゴン市内 Hlaing Tharyar タウンシップ、Shwe Linpan 地区のアパートプロジェクトと、建設省都市住宅開発局(DOUHD)により施工された Kanaung ハウジングプロジェクトで、分割払い分譲販売が開始された。

Learnt from: Myanmar Business Today (Jan 15, 2018)

Property prices flat despite green light on Dala Bridge project

韓国-ミャンマー友好橋(ダラ・ブリッジ)が政府によって許可されたものの、ダラ・タウンシップの不動産価格は横ばいのままのようである。

Learnt From: Myanmar Times (Jan 18, 2018)

South Korea to build \$98 million logistics hub in Yangon

ヤンゴン市内 Hlaing Tharyar タウンシップ、Shwe Lin Ban Industrial Zone で、韓国企業が物流ハブ施設建設にむけて US9,800 万ドルを投資する。

Learnt From: Myanmar Times, (Jan 25, 2018)

Mya Khwa Nyo Housing Project to be built under Chinese investment

1 月 19 日の MIC 主催の記者会見で、USD7,000 万ドルを超える Mya Khwa Nyo ハウジングプロジェクト(ヤンゴン市内、Tharketa タウンシップ)が中国資本との共同プロジェクトが開始されると発表された。

Learnt from: Eleven Myanmar (Jan 25, 2018)

Government changes rules to increase foreign investment

International investors are showing interest in Myanmar, led by investors from other ASEAN countries, along with Japan and China. Myanmar government has changed the rules to allow investment committees from states and regions to attract investments worth US\$5 million or 6 billion kyat in order to prepare for additional international investment. Furthermore, the government has opened branch offices of Myanmar Investment Commission (MIC) in states and regions. The MIC announced that over \$5 million in foreign investment up until the third week of December for this fiscal year and mostly are from Singapore. In the first half of 2017, investments came from Bangladesh, Brunei, China, France, Germany, Hong Kong, India, Indonesia, Japan, Macao, Malaysia, South Korea, Singapore, Sri Lanka, Thailand, Netherlands, United Kingdom, United States, Vietnam, Luxembourg, Samoa, Qatar, South Africa, Taiwan and New Zealand. According to the MIC, the transportation and telecommunications sectors topped the foreign investment list with US\$ 208 million during October and November. By attracting foreign investment worth \$ 2.5 billion, Yangon region tops the list of states and regions including more than US\$40 million in industry and service sectors. No foreign investment has been amounted for Rakhine, Kayah and Chin States.

Learnt From: Eleven Myanmar (Jan 5, 2017)

Property prospects positive for 2018, real estate agents say

Real estate agents' prospects for Myanmar Property market in 2018 are looking good. They are expecting that the real estate market will be better in this year due to the released rules to the Condominium Law at the end of 2017. The Condominium Law had been enacted on February 2016 and the rules to the legislation were only followed up in December last year. According to

the new rules, foreigners will now be permitted to develop property, subject to approval from the Myanmar Investment Commission. The minimum requirements for a condominium project are to build at least 6 floors on 0.5 acres of land area. Besides, developers will now be allowed to pre-sell new housing units after completing at least one third of the foundation work. It could reduce the capital burden on construction business and real estate developers, enabling them to better manage their cash flows. Moreover, foreigners are allowed to buy up to 40 percent of completed units on any floor of a condominium block, previously was only the units above the sixth floor. There are now 1,900 apartment units mostly in Yangon and 70 percent of these projects are considered upscale.



Shangri-La Serviced Apartment

Among these, Shangri-La Residences and Lotte Serviced Apartments are classified as premium properties. Lotte Serviced Apartment features the highest number of amenities and facilities across all serviced apartments. As for township, Bahan and Yankin townships are the most popular locations with the majority of projects still positioned as upscale. Still, it is the lower-tier projects such as studio and two and three-bedroom units that will likely see more buying activity over the shorter term. In addition, demand for studios and one-bedroom units remains underserved and will likely see higher demand due to their affordability.

Learnt From: Myanmar Times (Jan 9, 2018)

More than 1200 Apartments for Sale in Two Low Cost Housing Projects

Apartments from Shwe Linpan in Hlaing Tharyar township and Kanaung housing which was implemented by Department of Urban and Housing Development(DOUHD) are now available for sale with instalment plans. According to DOUHD, more than 1,000 apartments are available for sale starting from January 8 and Construction and Housing Development Band is accepting applications from people with savings who have already reached a 20 percent deposit. It is a great change for those homeless people in Yangon who want to own an apartment as Construction and Housing Development Bank provides an installment plan for the buyers. The people who have already deposited 20 percent of the value will get the chance to choose the favorite apartment. Each of the buildings in the two housing projects have four stories and prices for apartment in each story range from K6.2 million for apartments in fourth story K6.8 million for apartments in third story and, K7 million for second floor, K8 million for first floor and K9 million for the ground floor apartment.

Learnt from: Myanmar Business Today (Jan 15, 2018)

Property prices flat despite green light on Dala Bridge project



Yangon-Dala Bridge Project

Real estate prices in Dala township have been flat despite the government’s approval of the Korea-Myanmar Friendship Bridge also called Dala Bridge.

Since the bridge project is confirmed, the land owners in Dala are hoping the lands in Dala are to attract the buyers. Meanwhile, high prices cannot be offered because there is no buyer.



Yangon-Dala Bridge Connecting Downtown and Dala Township

The Dala Bridge will connect Bone Gyi Street in Lanmaday township of downtown Yangon and Bo Min Yaung Street in Dala township. The steel suspension bridge will be 6,144 feet in length with a design load of 75 tonnes covering a 320 feet wide waterway. The bridge will be 49 meters high, enabling vessels of 15,000dwt to pass beneath. Currently, most people travel to and from downtown Yangon and Dala by boat or ferry and after the bridge complete, it will shorten the time taken to travel between Yangon and Dala. Therefore, real estate agents are expecting that land prices around Dala should increase to some extent if the basic amenities are available. Currently, land between 20 feet and 60 feet is now being offered at around forty million to fifty million MMK. Demand for farmlands in the area has taken an even bigger hit. In 2014, the price of farmland located along the main in Dala reached K100 million per care. Now though, the same farmlands are being offered for about half the price. Farmlands located away from main road are now being offered at k15 and K20 million per acre. The Dala Bridge Project is expected to cost \$137.8 million and it will be funded via a loan from South Korea’s Economic Development Cooperation Fund.

The Myanmar government will contribute the remaining \$30.341 million.

Learnt From: Myanmar Times (Jan 18, 2018)

South Korea to build \$98 million logistics hub in Yangon

South Korea has invested \$98 million to construct a logistics hub at Shwe Lin Ban Industrial Zone in Hlaing Thar Yar township, Yangon. HUBS MK Co., Ltd from South Korea and Myanmar Trade Promotion Organization under the Ministry of Commerce signed a memorandum of agreement (MOA) for the project in Nay Pyi Taw. Having an international-standard logistics hub will make ensure a certain level of export quality and reduce production and transportation costs as Myanmar continues to avail portions of its economy to international trade. By building a modern trade support system which facilitates logistics and transport of the goods from rural farms to a central hub for shipping overseas, the quality of Myanmar agricultural, livestock and fishery products for export can be controlled and sustained very well. The cost estimate for the Yangon hub is around US\$98 million and Myanmar will not be contributing financially to the project. However, Myanmar will allow usage of the 59.1 acres piece of government-owned land. The company will conduct studies and estimate the rate of success of the project within a month's time. HUBS MK CO Ltd. Is hoping to start the constructions within this year. After this current trade promotion project is completed, market conditions for the export of agricultural produce and other fishery products are expected to improve, which will boost the export sector, maintain quality standards and reduce costs.

Learnt From: Myanmar Times, (Jan 25, 2018)

Mya Khwa Nyo Housing Project to be built under Chinese investment

Mya Khwa Nyo Housing Project which will cost over US\$ 70 million will be implementing in Yangon,

Myanmar by joining with the Chinese investment, according to the press conference organized by Myanmar Investment Commission on January 19th. The project will be built on over 3-acre wide land plot in Tharketa Township, Yangon Region. It is China-Myanmar joint venture project and Commercial and Residential Buildings for renting and selling will be implemented. According to DICA, most Myanmar entrepreneurs are now investing in housing projects in 2017-18 fiscal years and there are US\$ 1.06 billion of foreign investment in Myanmar housing infrastructure. Due to the newly Company Law, enactment of by-law concerning Condominium, Myanmar's real estate market which calmed for a long time is seemed to be active in the future.

Learnt from: Eleven Myanmar (Jan 25, 2018)