

What's Happening in Myanmar Market & Valuation

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Mandalay property market hits COVID-19 doldrums, but prospects intact

コロナ禍までのマンダレーの不動産市場は順調に推移してきていたが、現在、地価は下落にむかいつつあり、買い手にとっては市場参入の絶好の機会となっている。地価は、今後 1 年程度下落傾向、若しくはよくても現状維持で推移すると見られている。

Learnt from: Myanmar Times (August 31, 2020)

Construction, feasibility study on Hanthawaddy Airport commences

バゴ市ハンターワディー空港に係る建築工事調査及び初期のフェジビリティスタディが 8 月に開始された。ミャンマーと日本の共同事業として施工される新空港の第 1 フェーズは、2027 年竣工予定となっており、国内最大の空港になる見込みだ。

Learnt from: Myanmar Times (September 3, 2020)

Housing projects in Yangon be converted to quarantine centers

南ダゴン郡区のアウン・ミン・モーとライン・ター・ヤー郡区のシュウェ・リン・バン住宅団地プロジェクトは検疫センターへと転換される模様だ。

Learnt from: Myanmar Times (September 22, 2020)

The impact of COVID-19 on Myanmar's real estate market

コロナ第 2 波により国内全域で外出禁止令が出され、ヤンゴン市内はロックダウン状態にある。不動産市業界にとって、2020 年第 2 四半期～第 4 四半期(4 月～12 月)は前例のない厳しい状況となりそうだ。

Learnt from: Myanmar Times (September 22, 2020)

Dala bridge construction suspended during Yangon stay home period

感染の疑いから隔離されていたダラ橋の建設工事従事者 9 人が、コロナウイルスに感染していることが確認された。また、建設工事はヤンゴン市内の外出禁止令の発令中は中断されることとなる。

Learnt from: Myanmar Times (September 24, 2020)

The second wave of COVID-19 cut the real estate market down almost 100 percent

不動産市場は、現在ほぼ停止状態にある。コロナ禍で市場は殆ど凍り付き、移転などは困難を極めている。

Learnt from: Myanmar Times (September 26, 2020)

Mandalay property market hits COVID-19 doldrums, but prospects intact



A street in downtown Mandalay.

Mandalay’s real estate sector had been growing steadily before the COVID-19 pandemic struck but land prices may now start falling, opening up opportunities for buyers to enter the market. The global health crisis had affected the broader real estate industry in Mandalay. The authorities are reconsidering new project economic outlook. Land prices are expected to fall or, at best, remain stable over the next 12 months. That drop in sentiment and demand could dampen real estate prices in Mandalay, which had been on the uptrend over the past few years. In that light, it could be a good time for those interested in entering in the market to take a closer look at what is available. Before COVID, the occupancy rate for residential properties had been increasing by about 10 percent year on year and rental rates were stable. Similarly, demand for commercial property had been growing for the past two years, with commercial rentals up by above 5 percent year on year until March and occupancy rates of about 85 to 100 percent. Property consultants are hopeful that Mandalay’s real estate prospects will only improve in the long term since there is a tremendous amount of potential in Mandalay for residential growth.

Learnt from: Myanmar Times (August 31, 2020)

Construction, feasibility study on Hanthawaddy Airport commences

Construction and initial feasibility studies of the Hanthawaddy Airport in Bago have commenced in August. The first phase of the new airport, a joint venture between Myanmar and Japan is scheduled to be complete in 2027 with help from Japan International Cooperation Agency (JICA). Located around 80 km from Yangon, the new airport will cost between USD 1.5 billion and USD 2 billion to develop and will be implemented across 9,000 acres of state-owned land in Bago Region. When completed, it will be the biggest airport in Myanmar. The Hanthawaddy Airport is expected to replace the Yangon International Airport and expected to reach full passenger capacity by 2020, based on the passenger growth rate before COVID-19. The new airport will also bring additional tourists and cargo, which will help to boost economy and trade.

Learnt from: Myanmar Times (September 3, 2020)

Housing projects in Yangon be converted to quarantine centers



Shwe Lin Ban low cost housing in Hlaing Tharyar Township

The Yangon Region government announced that it will convert the South Dagon's Aung Myint Mo and Hlaing thar Yar's Shwe Lin Ban housing projects into COVID 19 quarantine centers. The Aung Myint Mo housing project will be converted into a 5000 bed quarantine center. The Shwe Lin Ban housing project, which is located on Kyan Sit Thar Street in Hlaing Tharyar (east) township, will also be converted into a quarantine center. The projects have been given the green light under by the Depart of Urban and Housing Development, Ministry of Construction, according to the Yangon Region government.

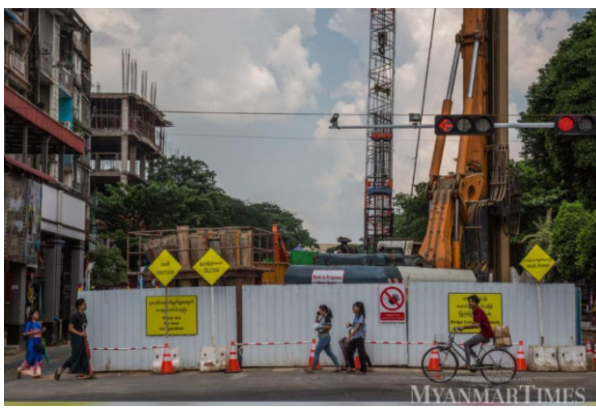
Learnt from: Myanmar Times (September 22, 2020)

The impact of COVID-19 on Myanmar's real estate market

By April, all major cities including Yangon (the largest city) were completely locked down which forced almost every businesses to transition to work from home, and the major of SMES especially real estate agents either closed shop, downsized their headcount and stopped all subscription payments in readiness for a severe drop in revenue to their businesses. In Q2 (April-June), the entire real estate market crashed. Small real estate agencies with little or no revenue bunkered down with a forced recession. By 12th Sept, the second wave of Covid arrived and so did 200 new patients daily in hospitals. With the second wave, the whole country is now under stay at home orders and the entire city of Yangon is in complete lockdown. Without doubt, Q2-Q4 (April-Dec) 2020 is going to be the hardest period ever faced by the real estate industry in Myanmar. The effect to players in the real estate market is a massive reduction in property transactions, with revenue numbers down to ~ 10-20 % of normal sales. The second wave is much more impactful than the first and it is expected to have a negative impact on full year 2020 forecasts for every business working with the real estate industry.

Learnt from: Myanmar Times (September 22, 2020)

Dala bridge construction suspended during Yangon stay home period



Construction site of the Dala Bridge on Phone Gyi road, downtown Yangon

Nine people working on the construction of Dala Bridge who were quarantined for COVID-19 have tested positive for the corona virus. Work on the project will now be suspended for as long as the Yangon stay-at-home order is in place. Construction work on both sides of the Dala Bridge will be suspended. Construction of the bridge is currently about 20 percent complete. Up until last month, construction of the Dala Bridge was being carried out expecting to be completed by October 2022. The four-lane cable-stayed bridge will be 4.3 kilometers in length and 27 meters in width. It will also feature a pipeline that will distribute freshwater to Dala township, where water shortage is a common issue. Dala is also one of the poorest townships in Yangon and its residents rely on small boats to cross the river.

Learnt from: Myanmar Times (September 24, 2020)

The second wave of COVID-19 cut the real estate market down almost 100 percent



People during stay at home period in Dala Township

In the second wave of the pandemic, COVID has shut down most businesses. The real estate market is currently down almost 100 percent. Nowadays, the real estate market is usually cold and it finds difficult to relocate due to the COVID-19 pandemic. As a result, rents are falling. Not only for residential apartments but also the demand for shops have decreased. Some of them have been rented out on a yearly basis, so there has been no significant change although some people who had previously decided to rent shops

and apartments stopped renting. The real estate market, which is more than 90 percent shut down, not only for sale but also for rent, expected to close in the next month since there may be some who wants to make money selling with discounts. Some real estate agents predict that it will resume in about two months.

Learnt from: Myanmar Times (September 26, 2020)