



BRIEFING

YANGON, MYANMAR PROPERTY MARKET

Economic and demographic overview of Myanmar, 2012

Macro Indicators	Unit	Value	YoY Growth rate (%)
Area	Square kilometre	678,500	N/A
Population	Million	54.6	1.07
GDP at current price (*)	US\$ billion	51.9	5.5
FDI (**)	US\$ billion	41	N/A
Import	US\$ billion	N/A	3.5
Export	US\$ billion	8.9	1.2

Source: World Bank, the Ministry of National Planning and Economic Development. (*) Data in 2011, (**) Data as of 30 Oct 2012

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Condominium

Yangon's primary condominium market consists of approximately 1,600 units from 21 projects.

Popular primary asking prices ranged from US\$1,100/ sq m to US\$1,800/ sq m and the popular secondary price was from US\$1,000/ sq m to US\$1,400/ sq m.

The main purchasers of condominiums are local end users as well as investors who buy to lease. Besides, people who live in other cities such as Mandalay use the condominiums as their second homes when doing business in Yangon.

Future supply will mainly come from three strong projects located in Western district and townships Dagon Seikkan and Thanlyin.

Hotel

The total stock of 3- to 5-star rooms in Yangon is approximately 3,000, equivalent to 5% that of Hong Kong, Phuket 7%, Kuala Lumpur 12%, Ho Chi Minh City 26%, Ha Noi 40% and Manila 70%.

In 1H/2013 the average room rate for the 4- and 5-star segments was approximately US\$210/ room/ night. The majority of hotels in Yangon have enjoyed high occupancy of 90% to 100% on both weekdays and weekends due to the shortage of rooms.

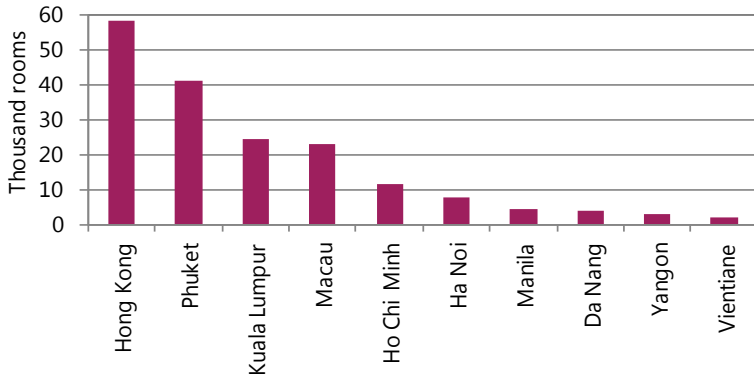
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The total number of international arrivals to Yangon was approximately 560,000 in 2012, a sharp increase of 53% YoY. It is expected that the number will be 900,000 in 2013, an increase of 60% YoY.

The total future supply in the period 2013–2015 is approximately 3,200 rooms.

3- to 5-star current stock



Source: Ministries of Information, Culture and Tourism and Savills Research & Consultancy

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Serviced apartment

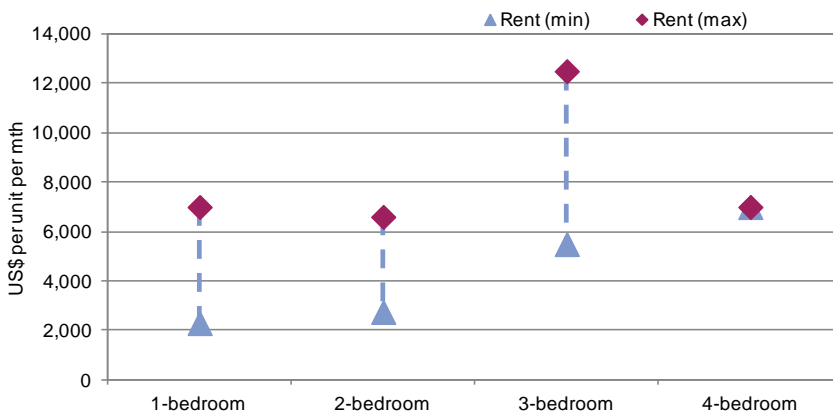
Yangon’s serviced apartment market comprises nine projects supplying approximately 840 units. This is equivalent to 25% of Ho Chi Minh City’s total stock and 28% of Ha Noi’s.

The average occupancy rate remained at a high level, above 95% while the achievable rent ranges from US\$2,300 to US\$12,500/ unit/ mth.

The Northern district, especially the area next to Golden Valley, Inya and Kandawgyi lakes, is the most preferred living area for expatriates.

There are seven planned projects, in which two are expected to provide approximately 2,600 units, which is 214% higher than the current stock.

Asking rent range



Source: Savills Research & Consultancy

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The flow of FDI to Myanmar has increased significantly in recent years, especially in Yangon. In 2012, the number of FDI projects in Yangon increased strongly by 1,200% YoY.

Retail

The total stock of modern retail is approximately 155,400 sq m. Eighty-two percent of the studied projects were fully occupied while the rest achieved 90% to 95%. The rents of shopping centres ranged from US\$13 to US\$37/ sq m/ mth and averaged US\$23/ sq m/ mth net.

Yangon, which has a large population, approximately 4.5 million in 2012, has low retail density compared with other cities in the region. This represents strong potential for growth.

Up to 2015, approximately 100,000 sq m of retail space from 11 projects will enter Yangon's market. Three identified projects are expected to come online in 2013.

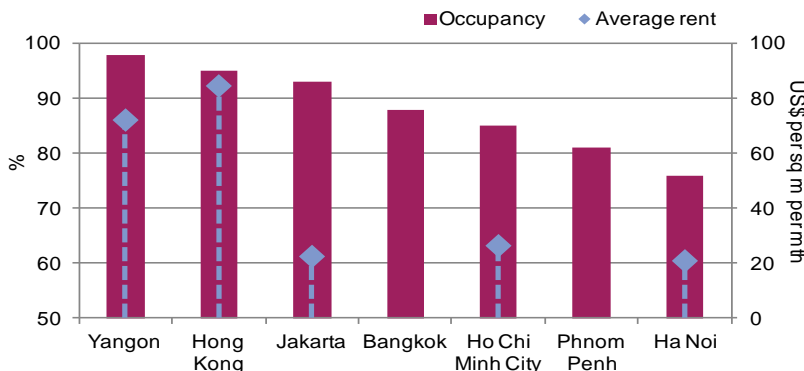
Office

Yangon's total office stock is approximately 63,600 sq m supplied by six buildings. This is smaller than other cities in Asia; only 0.7% of Hong Kong's, 0.8% of Bangkok's, 1.4% of Jakarta's and 5% of Ho Chi Minh City's.

The overall occupancy was 98%, up significantly by 23 percentage points compared with 1H/2012. The average rent rate reached US\$72/ sq m/ mth in 1H/2013. A number of office buildings in Yangon increased their rent rates by 78% to 100% in 1H/2013 compared with 1H/2012.

Up to 2015, approximately 162,200 sq m of office space from nine projects will enter Yangon's office market.

Office performance, 1H/2013



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