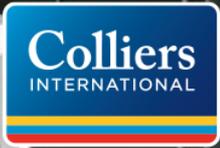


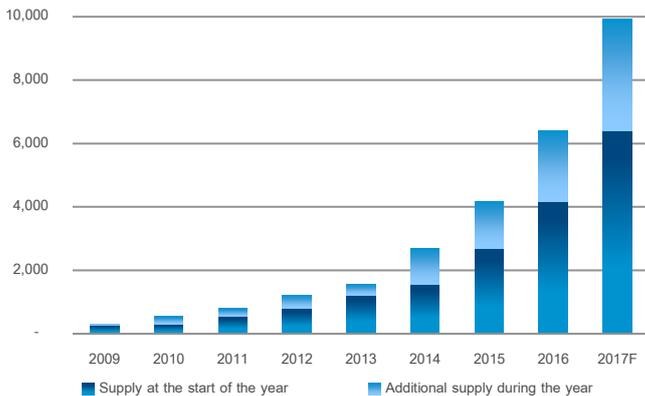
# YANGON | CONDOMINIUM

1<sup>st</sup> Quarter 2017

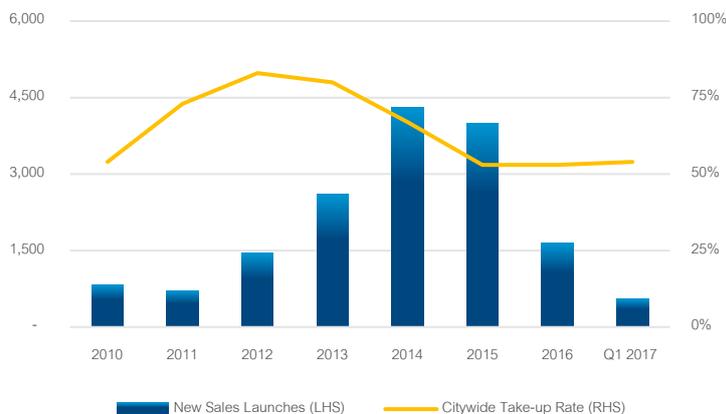


Accelerating success.

Notable Condominium Supply Stock (units)



Average Citywide Sales Take-up Rate Vs. New Sales Launches



Average Total Contract Price (USD)

Condominiums	Mid-market	Upper-mid	High-end	Luxury
City-wide	150,300	298,000	498,000	699,000

## Supply

- The number of condominium units launched in Q1 2017 reached more than 552 – almost equal to the number launched during the same period in 2016. The rise in the units launched were mainly led by Spring Line Residence by Shwe Oak Khai Construction, located in Insein Township with more than 300 units. Future launches, including previously announced projects, and remaining new phases, remain on hold as developers take a step back to review strategies amid the continuing lackluster sales performance.
- Meanwhile, the total number of completed units as of Q1 2017 was at 6,048 - up by 12% QoQ. Roughly 3,000 more units are anticipated to be delivered for the remainder of the year, collectively from more than 30 projects. With the sluggish construction progress, it is likely that the completion dates for some are to be pushed towards 2018.

## Demand

- Despite the additional project launches introduced in Q1 2017, the cumulative citywide take-up rate witnessed a slight uptick to about 54%. The increase is owing to the new sales recorded in The Central development by Marga Land. The project, previously known as Dagon City 1 has been renamed and relocated in Yankin Township.
- In general, many of the pre-selling condominiums remains skewed towards the upper-scale segment which appears unsuited. There remains a widely untapped demand for low and middle-income developments and that affordability is still a main concern among the population's majority. However, the high land values along with an onerous car parking regulation make it difficult for developers to justify more competitively priced products with smaller unit sizes.
- Meanwhile, to help stir demand, some banks are now offering loan programs with 15-year installments. This, catering only to a few selected developments, along with high interest rate, have exerted meager upward movement to the overall sales performance.

## Sales Price

- The average contract prices have remained generally stable across all segments with the exception of the High-end segment which declined by 5.7% QoQ. While there have been no reduction in prices recorded in most developments, there is pressure to introduce lower-tier mid-income projects which could likely drive prices to more competitive levels.

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