

### **Chip Mong Retail Announces Official Leasing Launch for 271 Mega Mall**

Chip Mong Retail has officially opened for business partners and well-known local and international brands to apply for retail space leasing in the Chip Mong 271 Mega Mall before the official opening in 2022. Meanwhile, the Chip Mong Sen Sok Mall will also be officially inaugurated in June this year. According to the President of Chip Mong Retail Arnaud Dufresne, the 271 Mega Mall has great potential for expanding modern businesses. Chip Mong 271 Mega Mall is located at the centre of highly-developed areas and surrounded by three main thoroughfares, Street 271, 60-metre road, and Street 371. Besides, the income of the local people in that region is gradually increasing, which make them demand a better quality of life. Given the great location and high demand combined with Chip Mong Retail's smart marketing strategy, the 271 Mega Mall will automatically attract plenty of customers once operational.

*Learnt from: Construction & Property (6<sup>th</sup> February, 2020)*

### **Five New Ecotourism Developments Planned for Koh Kong Province**



Private firms are planning to develop five ecotourism resorts on approximately 50 hectares in the Dong Peng preservation area in Koh Kong province. The project has just received the green light from the government, after both parties inspected and set borders at the actual site on 09 February. All five projects will be developed in the protected zone called Dong Peng, of which each project must be developed on less than 10 hectares of land and has to follow particular environmental regulations. Meanwhile, those five private sectors include Ms Hai Nori who received 9.35 hectares of land, Ms Ty Sarim receiving 9.53 hectares, Mr Hay

Nang receiving 9.51 hectares, Mr Heng Vattanak receiving 9.51 hectares, and Ms Kevali receiving 9.52 hectares. Despite giving green lights to those projects, the Koh Kong administration still urged the firms to properly address the impact, strongly cooperate with local authorities, and especially take environmental factors into account. Koh Kong is one of the high potential provinces that has been attracting many multi-billion-dollar investment projects. The most well-known one is the Dara Sakor project, while others include the new airport by LYP Group, the hydropower dam, as well as the recently-approved coal-fired power plant project.

*Learnt from: Construction & Property (10<sup>th</sup> February, 2020)*

### **CBRE Cambodia Hosts Annual Flagship Event Fearless Forecast 2021**

CBRE Cambodia held their annual flagship event Fearless Forecast 2021 on 17 February at the new Hyatt Regency Hotel in Phnom Penh with an approximate 200 people attending. According to Managing Director of CBRE Cambodia, many sectors are facing a period of limited demand and increasing supply which will continue to pressure rents and prices over the medium term. COVID-related travel restrictions will continue to cap levels of business activity and keep tourist arrivals at a low level. Infrastructure, manufacturing, borey projects and some sub-segments of other mainstream sectors including edge of city land sites, Grade B centrally owned office space and some new forms of retail concept are all likely to have a brighter year. Some of the specific points highlighted by the Fearless Forecast presentation were:

- Cambodia's real estate market recovery tied closely to global and regional travel disruption
- Changing demographic trends in the Kingdom may start to influence design of real estate
- Landlords and Developers will have to work harder to lease or sell and to retain existing tenants.
- The increasing availability and affordability of mortgage financing holds out a ray of hope for the residential sector.
- Over-supply looms across multiple sectors and

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exacerbates the issues brought in by the impact of COVID-19 but creates a fertile environment for innovation and improvement that will likely benefit the market over a longer term.

*Learnt from: Construction & Property (17<sup>th</sup> February, 2021)*

### **Food & beverage stores most affected by COVID-19 retail fallout**

The year 2020 was an economically tough year for a majority of retailers in the Kingdom. According to The Mall Company (TMC), a retail specialist in Cambodia, Food & Beverage stores accounted for 58% of Phnom Penh retail space vacancies recorded by Q4 2020. The F&B category is followed by fashion retailers second at 21% and health & beauty stores third at 9% over the same period. Food and beverage stalls, especially in retail malls, largely rely on foot traffic for revenue. The lack of shoppers visiting Phnom Penh malls for most of 2020 negatively affected sales volumes causing a number of F&B retailers to suspend operations. With no new retail project deliveries in Q4 2020, a total of 370,781 sqm of retail space was logged at the end of 2020. According to TMC, the looming COVID-19 threat created a poor retail environment where store sales saw record-low levels for much of 2020. TMC further explains this resulted in 16,247 sqm of retail space vacancy in 2020, an 85% increase from the 8,760 sqm of retail space vacancy recorded in 2019. The retail spaces in Chamkarmon made up 4,825 sqm or 30% of total retail vacancies in 2020. The district is followed by Meanchey at 16%, 7 Makara at 14%, and Toul Kork at 12%. When it comes to retail formats, Community Malls saw the most vacancies in Phnom Penh measured at 9,565 sqm or 59% of the total retail space vacancy in 2020. Retail spaces in Shopping Malls fared comparatively better having only seen 3,091 sqm of its retail spaces vacated in 2020.

*Learnt from: Construction & Property (17<sup>th</sup> February, 2021)*

### **Large-Scale Borey to Rise in Prey Sar, Dangkor District**



*Borey Peng Im 2*

Borey Peng Im 2 has been officially launched and opened for sale from February onward, adding more residential supply to the newly-developed area of Dangkor district. Spread over 3 hectares, the project comprises of 245 houses, divided into three types: shop house, hybrid villa type B, and type C. According to the project manager, investing in property with the Prey Sar area is a great choice, as the price of residential property in the area has been steadily increasing for the past few years, and will continue to rise. Besides being located in a prime location, Borey Peng Im 2 focuses on construction quality and design, yet at an affordable price. The price of houses starts from only approximately US\$80,000 with 100% instalment option with the developer.

*Learnt from: Construction & Property (19<sup>th</sup> February, 2021)*