

## What's Happening in Cambodia Market & Valuation

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#### **Real estate sector on the rise in Q3, says CBRE**

不動産セクターは、2022年第3四半期も継続した成長を遂げた。オフィスの稼働率は若干上昇したもののコンドミニアム賃料はやや下落した。一方、ホテルセクターは、国内外観光客の増加で、大幅に伸びた。

*Learnt from: Khmer Times (11<sup>st</sup> October, 2022)*

#### **RPPI change gets back to positive area in June**

住宅用不動産価格指数 (RPPI) が、6月0.4%に急上昇した。住宅価格指数は、不動産市場での資産価値査定に有用だが、金融機関にとっても土地や家屋などを担保とした顧客へのローン提供にも活用されてきている。

*Learnt from: Khmer Times (13<sup>th</sup> October, 2022)*

#### **Real estate market in Cambodia needs three more years to recover to pre-pandemic level**

カンボジアの不動産セクターは、今後3年以内でCOVID以前のレベルまで徐々に回復する達すると予想されている。カンボジア経済は依然として、毎年約5%から10%成長しており、好調だ。

*Learnt from: Construction-Property (18<sup>th</sup> October, 2022)*

#### **AEON Mall 3 Set to open soon**

プノンペン南部に建設中のイオンモール3は、竣工間近となり、間もなくオープンする見込みだ。このプロジェクトは総投資額2億9,000万米ドル、総床面積は174,000平方メートルで、既存のイオンモール1と2の合計を上回る規模だ。

*Learnt from: Construction-Property (18<sup>th</sup> October, 2022)*

#### **Three investment projects worth US\$14.1 m approved for SHV and Kandal province**

カンボジア開発評議会 (CDC) は、シアヌークビルとカンダル州で、3社に対して工場建設に向けた会社設立を認可した。資本金合計は1,410万米ドルで、8つの投資プロジェクトが含まれる。

*Learnt from: Construction-Property (24<sup>th</sup> October, 2022)*

### **Real estate sector on the rise in Q3, says CBRE**



*Cambodia real estate is improving in Q3 2022 compared to the same period last year.*

The real estate sector has continued to grow in the third quarter of 2022. The office occupancy has increased slightly with condominium rents decreased, while the hotel sector increased significantly due to the national and international tourists. Tourism is now becoming a major point of focus point again in Cambodia, as the country has reopened its doors and made it easier for foreign tourists to enter. It can be seen that more hotels opening in this quarter, as well as several new hotels being established. Although high-end hotels have still not reached full capacity in the country, the lower-end hotels are now seeing a better rate of capacity with the return of backpackers. CBRE's report highlights Boeng Keng Kang as the hottest property district in Phnom Penh, followed by Sen Sok, Tooul Kork and Chamkarmon. Additionally, the office sector in Cambodia has grown from the second quarter, with 64 percent centrally owned occupancy, and new launches still to come with mixed use developments. The retail market also saw three new malls launched with K Mall in Dang Kor district, 60 M Community Mall in Mean Chey District and the Chip Mong 271 Mega Mall also in Mean Chey district.

*Learnt from: Khmer Times (11st October, 2022)*

### **RPPI change gets back to positive area in June**

The monthly change of the Residential Property Price Index (RPPI) jumped back to 0.4 percent in the positive area for the first time in June after the index had changed in the negative area for two months in a row in April and May 2022 by -1.6

percent and -0.8 percent respectively. The Economic and Monetary Statistics released shows that RPPI has risen to 109 points in June 2022 from 108.6 point in May for both Phnom Penh and provinces, but the index for Phnom Penh has surged to 110.4 point in June from 109.8 point in May, while the index for provinces has slightly fallen to 100.3 point from 100.4 point. However, the annual changes in RPPI were all still negative in June this year. Compared to the same period last year, the main index has fallen by 3.9 percent in June from 2.9 percent in May, while the index for Phnom Penh and provinces have slipped by 3.7 percent and 3.9 percent respectively in June after they had fallen by 2.8 percent and 2 percent respectively in May. The house price index helps in calculating the value of an asset in the real estate market, citing that for the banking sector, the house price index has been useful in providing loans to its customers, including collateral, such as land or houses. The housing price index is an important indicator in tracking the development of the real estate and housing sector, which has been booming over the past two decades, and providing statistical reports is important in updating the banking sector.

*Learnt from: Khmer Times (13<sup>th</sup> October, 2022)*

### **Real estate market in Cambodia needs three more years to recover to pre-pandemic level**

Despite the slowdown of the international economy, the real estate sector in Cambodia remains robust with a gradual positive recovery, expecting to reach pre-COVID levels within the next three years. The Cambodian economy is still growing at around 5%-10% each year, which is a good figure. Besides, infrastructure development has been expanding both in Phnom Penh and in the provinces, making the real estate sector, especially the land market grow bigger. The next sector that will grow fast is industry sector. Investors are very interested in Cambodia these days as they want to diversify their investments by moving factories from China to countries in Southeast Asia, such as Cambodia and Vietnam. Cambodia is a good destination as land prices are still reasonable and

labor costs are low. For the office sector, rental prices have remained stable while the quality of commercial buildings has also improved. Supply is still limited, so prices will rise within a year. Meanwhile, Cambodia's tourism sector is recovering steadily, which is also good for the economy and the real estate's sector, such as hotels and guesthouses. However, the sector that is still under a lot of pressure is the retail sector as the supply is high and the local people's purchasing power is still limited.

*Learnt from: Construction-Property (18<sup>th</sup> October, 2022)*

### **AEON Mall 3 Set to open soon**



AEON Mall.

The under-construction AEON Mall 3 located in the southern part of Phnom Penh is expected to open soon, as construction is reaching 100% completion. The firm has not officially announced the opening date but has begun hiring staff with urgent status on the recruitment document. Located in Chak angre commune, Meanchey district, this project is being built with an investment of US\$ 290 million and has a total area of 174,000 square meters, which is larger than Aeon 1 and Aeon 2 combined.

*Learnt from: Construction-Property (18<sup>th</sup> October, 2022)*

### **Three investment projects worth US\$14.1 m approved for SHV and Kandal province**

The Council for the Development of Cambodia (CDC) issued registration certificates for eight investment projects with a total capital of US\$ 14.1 m to establish three factories in Sihanoukville and Kandal province.

The first firm is CHENG ZHEN YONG INDUSTRY CO., LTD, which will invest US\$5.2 m to establish a shoe

accessories factory located in Chak village, Bek Chan commune, ang Snoul district, Kandal province.

The second firm is XIN JIN HUA GARMENT CO., LTD, which will invest US\$ 5m to establish a garment factory located in Trapeang Bar Kou Village, Trapeang Veng commune, Kandal Strung district, Kandal province.

The third firm is SUCCESS METAL TECHNOLOGY CO., LTD, which will invest US\$ 3.9 m to establish a metallurgical processing factory project located in the Cambodian Special Economic Zone, Sino Metal League Metropolitan, Sihanoukville.

According to the Council for the Development of Cambodia (CDC), the three new projects will create 2,514 jobs.

*Learnt from: Construction-Property (24<sup>th</sup> October, 2022)*