

What's Happening in Cambodia Market & Valuation

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FDI in Cambodia's construction sector touches \$334 M

カンボジアは、COVID-19 の影響による経済の減速にもかかわらず、2021 年も建設部門に対する海外直接投資は継続して高水準を維持し、2020 年の 2 億 6000 万ドルから 2021 年には 3 億 3400 万ドルに増加した。そうした中、2022 年の建設部門成長率は対前年比 6.3%になると予想されている。

Learnt from: Construction-Property (26th October, 2022)

Cambodia property growth well poised by the end of 2022

2022 年も終盤に入る中、不動産販売は海外直接投資 (FDI) の好調さもあり、堅調さを維持している。企業による過去 3 か月間の販売額は 540 万ドルに達したが、そのうち、投資家の 65% が購入したのはコンドミニアムだった。

Learnt from: Khmer Times (2nd November, 2022)

Developers urged to focus on green buildings

プノンペンには、ASEAN 諸国の中で、「相対的に緑地率の低い都市の一つだ。公害を制御しグリーンビルディングを推奨していくため、国土管理省は、ホテルに対する緑化数値基準の規定する法案を起草した。

Learnt from: Construction-Property (2nd November, 2022)

Demand increasing for luxury properties in Cambodia

近年のカンボジア不動産は活況を呈している。最も高額な土地付住宅の取引価格は、最高 700 万ドルに達した。トゥール コークにおける高級ヴィラの通常価格は、500 万ドルから 800 万ドルとなっている。カンボジアにおける高級物件への需要が高まっている一方、市場における供給は限られているのだ。

Learnt from: Khmer Times (23rd November, 2022)

FDI in Cambodia's construction sector touches \$334M

Cambodia continued to receive substantial Foreign Direct Investment in the construction sector in 2021, despite the economic slowdown in the wake of COVID-19. FDI in construction rose from \$260 million in 2020 to \$334 million in 2021 in the Kingdom, reflecting expanding industrial and economic activities even during the worst days of the pandemic. The construction sector in Cambodia is projected to expand at an average of 6.3 percent in 2022 and will grow 9.4 percent between 2023 and 2026. This forecast was supported by the ongoing investments in the infrastructure, commercial, and residential sectors and the strong demand for real estate. The demand for housing in Cambodia is expected to go higher in the coming three to five years and that this demand is mostly driven by a young population. It is also estimated that the real estate sector will grow by 4.8 percent in 2022, and that the momentum is mostly driven by the existing demand for housing and office properties. The 2022 Real Estate survey by Realestate.com.kh indicated strong demand for housing in Cambodia from first-home buyers, re-buyers, and local and international investors, with more than 90 percent of respondents indicating that buying property is a good investment. Cambodia recently provided licenses to some 2,000 construction projects with a total investment of \$ 1.2 billion in the first half of 2022. Construction is one of the four pillars supporting the country's economy. From 2000 to June 2022, Cambodia granted licenses to 57,590 construction projects across the country with a total investment of \$66.2 billion.

Learnt from: Construction-Property (26th October, 2022)

Cambodia property growth well poised by the end of 2022

Property sales and ongoing foreign direct investment (FDI) remain strong as the end of 2022 approaches in Cambodia. Although trends suggest domestic property market matured during the pandemic- foreigners are still the main force of real

estate investment in Cambodia. The property sale growth curve in the past six months of 2022 has almost shown a straight upward trajectory. The firm's sales in the past three months reached USD\$5.4 million. One-fifth of property buyers in Cambodia come from the United States, 10% are from Singapore, 11% are from France, 10% are from Japan, and 10% are from United Kingdom and Italy, while 4% are from other European countries such as Germany, Belgium, Hungary, Sweden, Spain. The major investor market remains China which accounts for 15% of property buyers, despite the ongoing zero-COVID policy that has restricted travel. The remaining 20% are local Cambodian buyers. It is believed that continued inflation in Europe prompted more people to move and live in Asia; housing prices in Cambodia are still affordable compared to other countries in the region. In terms of property sale types in Cambodia in 2022, 65% of investors purchased condominiums. Most buyers have been opting for spacious one and two-bedroom condo units, while large units are most popular among high net-worth-individuals. Some buyers are even buying two adjacent apartments. Apart from condominiums, land-linked homes such as townhouses, shophouses, and villas are the most popular property investment type and account for 20% of sales. It can be classified that the current market is a "buyer market" and the current market is still small- developers need to provide more attractive conditions to grab a larger slice of the market share. An increasing number of developers have focused on the improvement of their projects in terms of design, greenspace, convenience, amenities etc. and hope to offer a unique property in the market.

Learnt from: Khmer Times (2nd November, 2022)

Developers urged to focus on green buildings

Phnom Penh is among the cities with the relatively lowest green space in ASEAN as developers here go for constructing buildings with an aim to maximize their profits. It often leads to challenges, like traffic congestion, pollution, few gardens, and a shortage of green spaces. Green buildings refer to constructions with technically sound architectural

layouts with adequate provisions of natural light and airflow that stays in harmony with nature. To save the city from pollution and promote green buildings, the Ministry of Land Management has already drafted laws, defining the number of green spaces required in the case of hotels.

Learnt from: Construction-Property (2nd November, 2022)

Demand increasing for luxury properties in Cambodia

Cambodian real estate has been booming over the recent years. Even post-pandemic, the country is extremely well placed with positive GDP growth estimated by leading financial institutions for the coming years. Property developers have also been swift to try and plug the gap to meet the appetite in the housing demand, which is driven by the emerging middle class, expats and international investors. High net-worth individuals locally and internationally are seeking to constantly increase their quality of life and are in the pursuit of fine taste and are driving demand for luxury housing in Cambodia. Although there are aspects of the local market that are showing a slower recovery, with a short-term oversupply of mid-range properties, the luxury market in Cambodia is largely untapped and seen as a massive opportunity by industry professionals. Many of the customers were high-net-worth individuals. Online search traffic on realestate.com.kh looking for landed properties that are above USD\$4.5 million has increased by 50% this year. The most valuable landed residential transaction was as high as USD\$7 million+, which are demand from the market. Luxury stand-alone villas in Toul Kork are commonly priced anywhere between USD \$5-\$8 million. Demand is increasing for luxury properties rentals- one ultra-high-end villa was recently leased for \$15,000 per month in the capital. Although there is growing demand for luxury properties in Cambodia, there is limited supply in the market.

Learnt from: Khmer Times (23th November, 2022)