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Q2 PHNOM PENH MARKETVIEW

Q2 2019

PRESENTED BY
JAMES HEWSON, MANAGER
CBRE CAMBODIA

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CONTENT

CONSTRUCTION INVESTMENT

CONDOMINIUM

OFFICE

RETAIL

SERVICED APARTMENT

INVESTMENT INTO CONSTRUCTION

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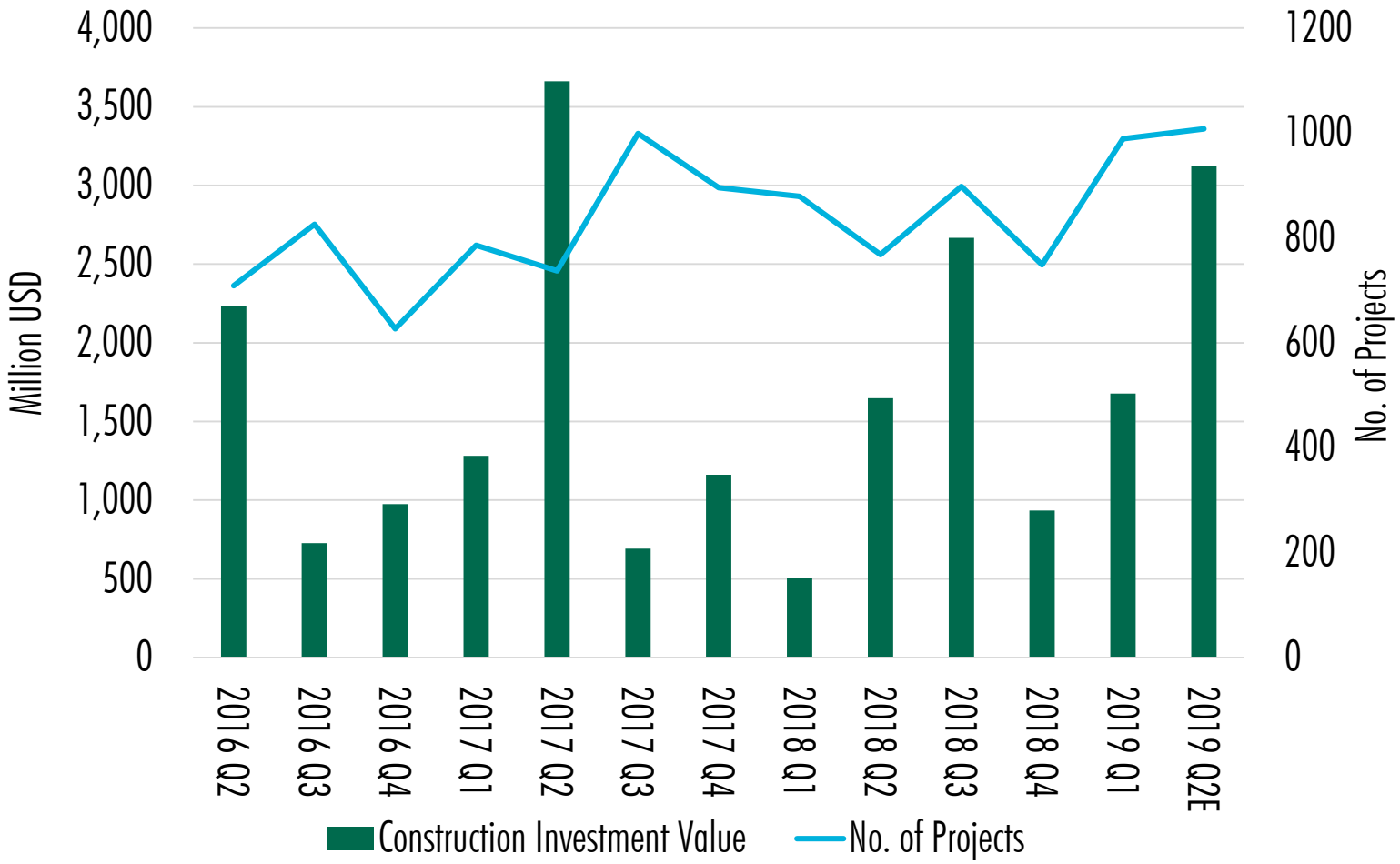

$2.7Billion

OF INVESTMENT VALUE
FROM JAN – APR 2019

1,325

PROJECTS APPROVED
FROM JAN – APR 2019

H1 2019 FORECAST

INVESTMENT VALUE
PROJECTED TO REACH **$4.8B**

APPROX. **1,900 PROJECTS**
ANTICIPATED OVER THE
COURSE OF H1 2019

Source: Ministry of Land Management, Urban Planning and Construction

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INVESTMENT INTO CONSTRUCTION

CONDOMINIUM

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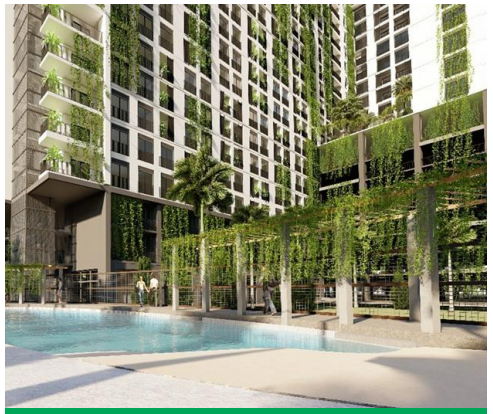
SERVICED APARTMENTS

CONDOMINIUM

8 NEW LAUNCHES OVER THE COURSE OF Q2 2019

LA VISTA ONE

ROYAL PLATINUM



URBAN VILLAGE – PHASE 2

CHIP MONG PARKLAND TK

HCN MALL & RESIDENCE

CPEC ROMAN GARDEN CONDO

VERSAILLES SQUARE

RS CONDO

MORE THAN

5,800 UNITS

LAUNCHED OVER THE COURSE OF Q2 2019

CONDOMINIUM

1,393 UNITS COMPLETED OVER Q2

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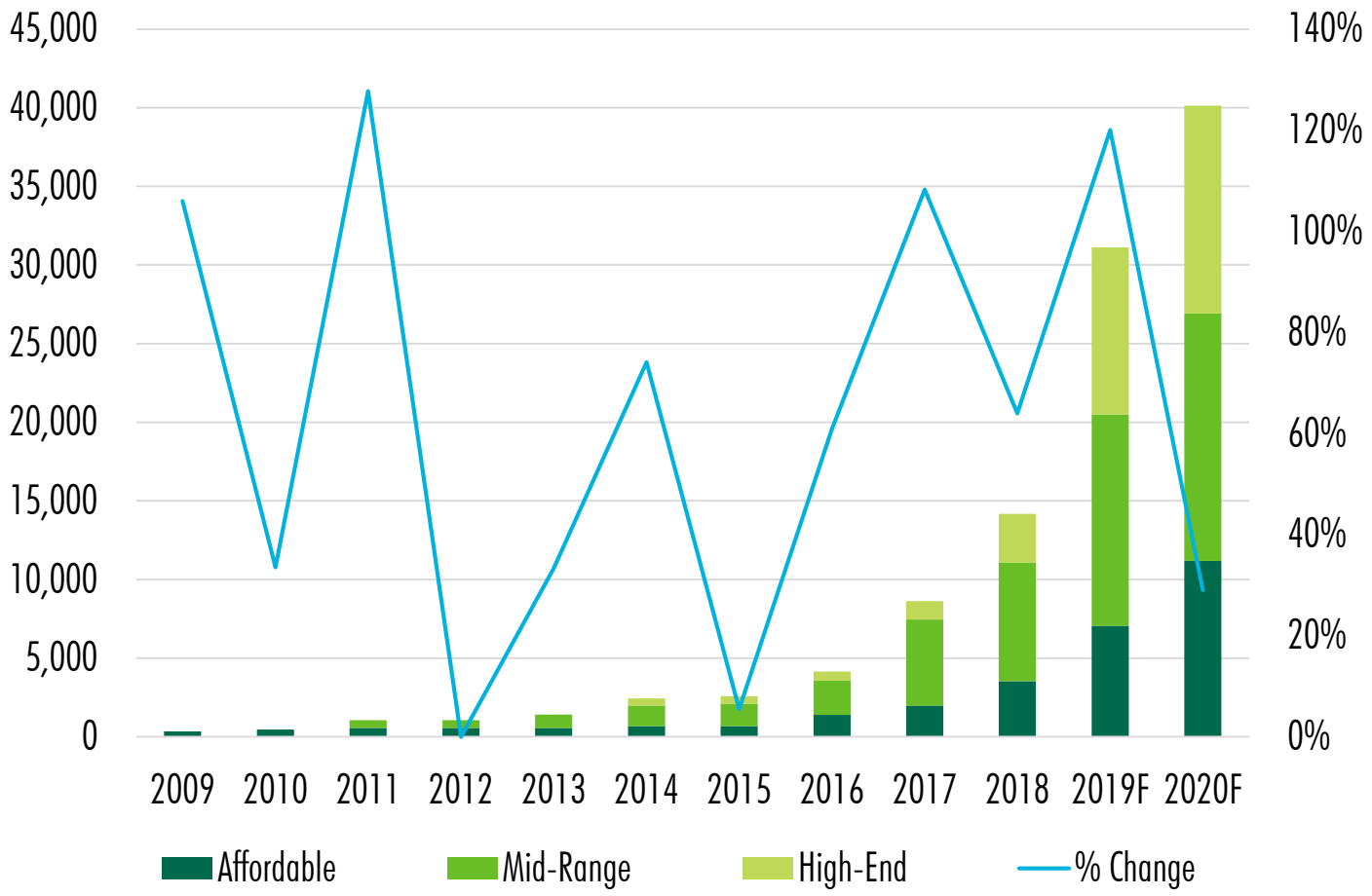

Source: CBRE Research, Q2 2019

Q2 COMPLETIONS

5 PROJECTS (1,393 UNITS)

9.13% SUPPLY INCREASE

SHARE OF NEW COMPLETIONS

72% HIGH-END SEGMENT

28% AFFORDABLE SEGMENT

CONDOMINIUM

SALES PRICES: LESS THAN 1% DOWNWARD

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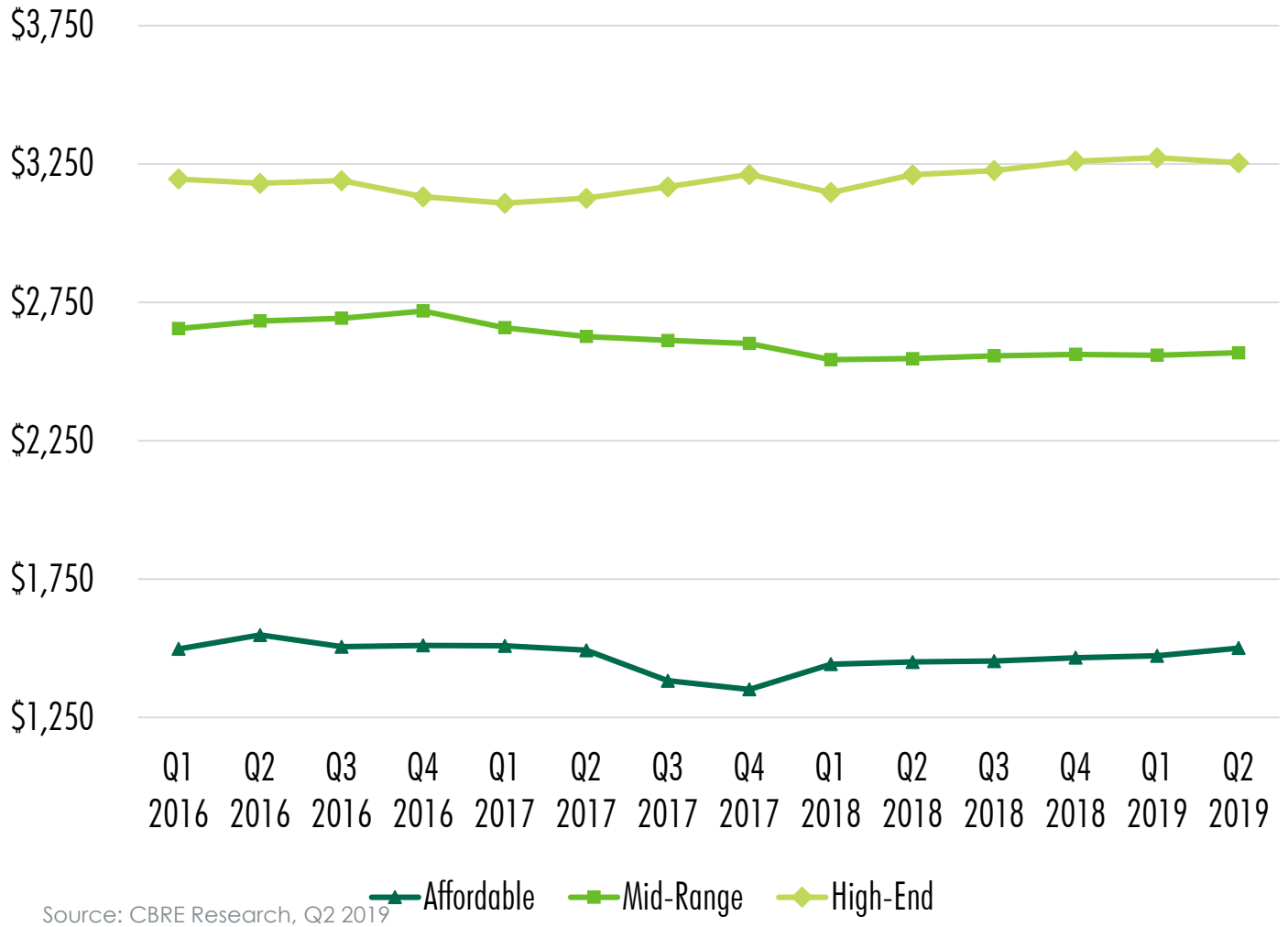


Source: CBRE Research, Q2 2019

Q-O-Q CHANGES

LESS THAN

1%

DOWNWARD ADJUSTMENT
Q-O-Q FOR **HIGH-END**
AND **MID-RANGE** SEGMENT

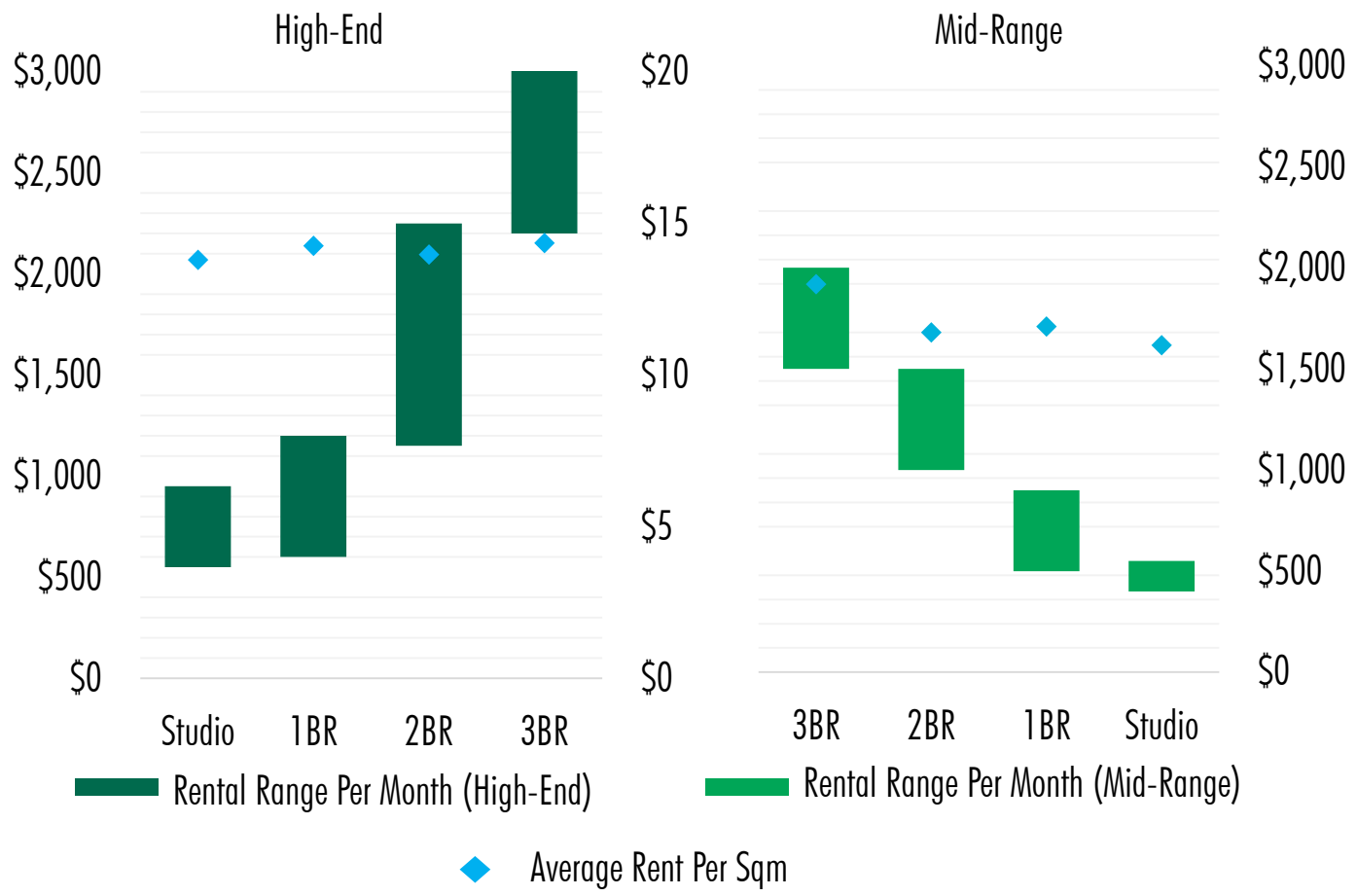
1.9%

UPWARD ADJUSTMENT
Q-O-Q FOR **AFFORDABLE** SEGMENT

AVERAGE PRICE PER SQM BY SEGMENT		
$1,501	$2,568	$3,254

CONDOMINIUM

RENTAL RATES SAW SLIGHT UPWARD CORRECTION



Q2 2019

$14.61/SQM

3% UPWARD ADJUSTMENT FOR **HIGH-END** SEGMENT

4.3% UPWARD ADJUSTMENT FOR **MID-RANGE**

$12.0/SQM

Source: CBRE Research, Q2 2019

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INVESTMENT INTO CONSTRUCTION

CONDOMINIUM

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CENTRALLY OWNED OFFICE SUPPLY

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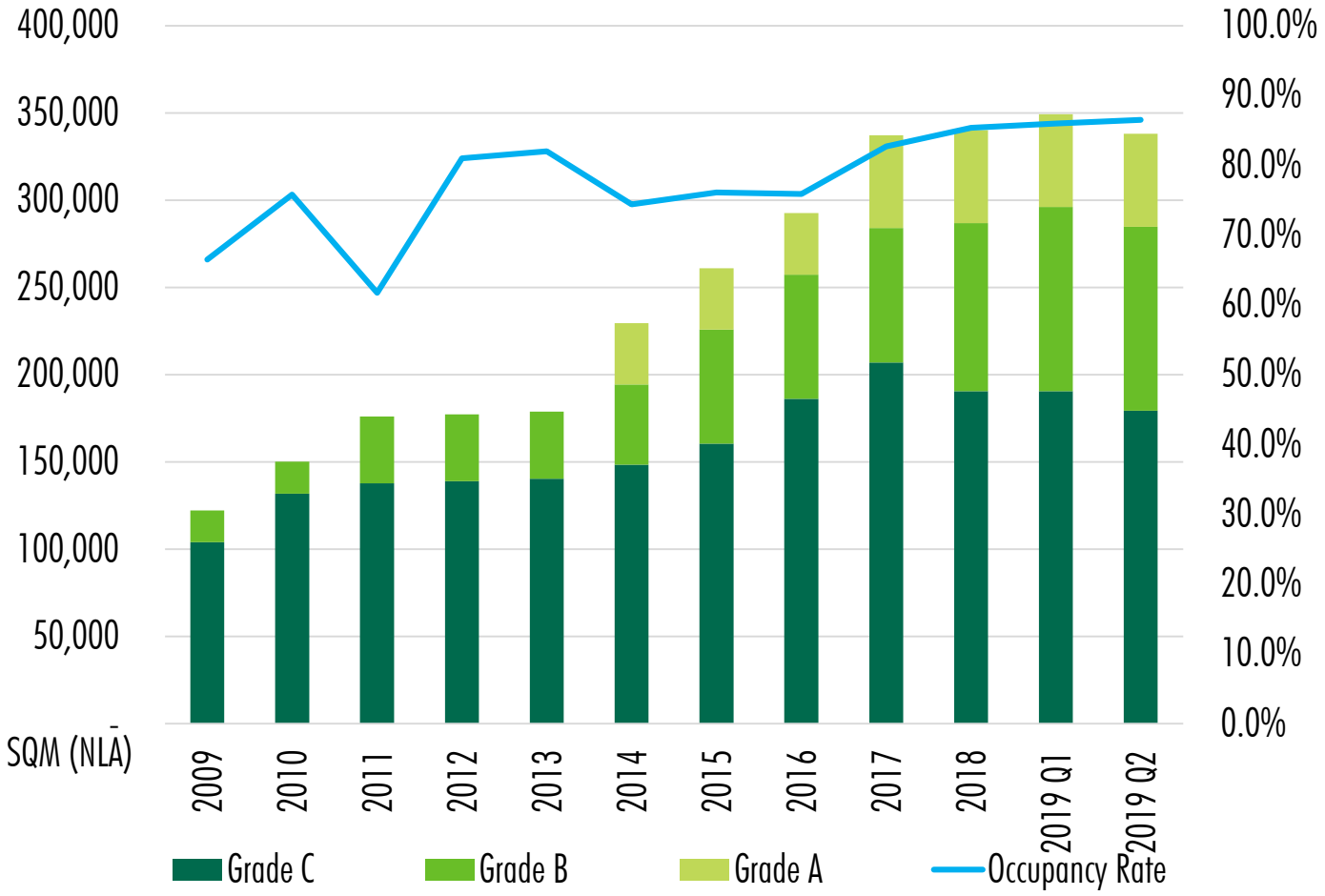

359,000 SQM
OF CENTRALLY OWNED OFFICE SPACE BY Q2 2019

86.5% OCCUPANCY RATE BY Q2 2019

GRADE-C OFFICE SUPPLY SAW A DECREASE OF **5.9%**

GRADE C Q1	190,565 SQM
GRADE C Q2	179,309 SQM

Source: CBRE Research, Q2 2019

CENTRALLY OWNED OFFICE RENTS Q2 2019

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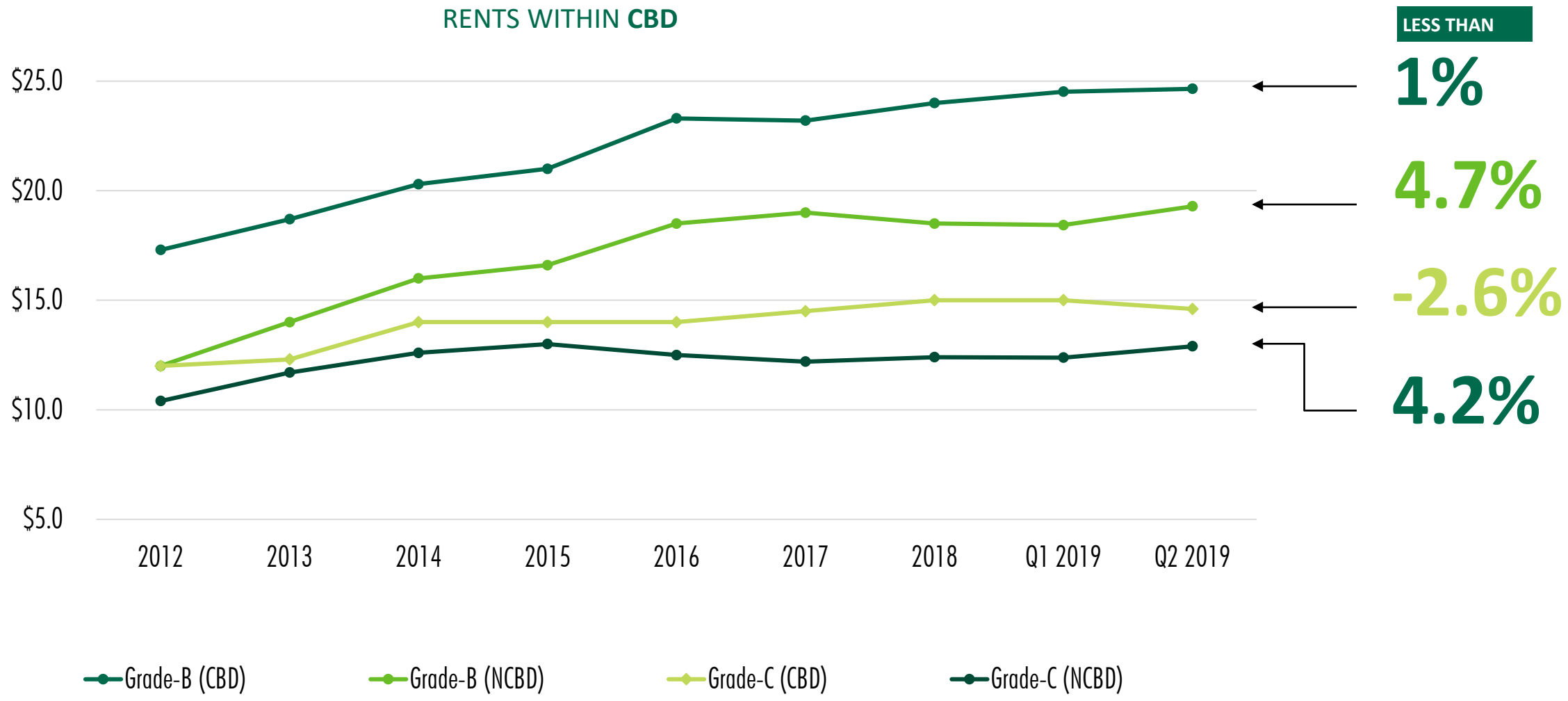

Source: CBRE Research, Q2 2019

STRATA-TITLE OFFICE SUPPLY

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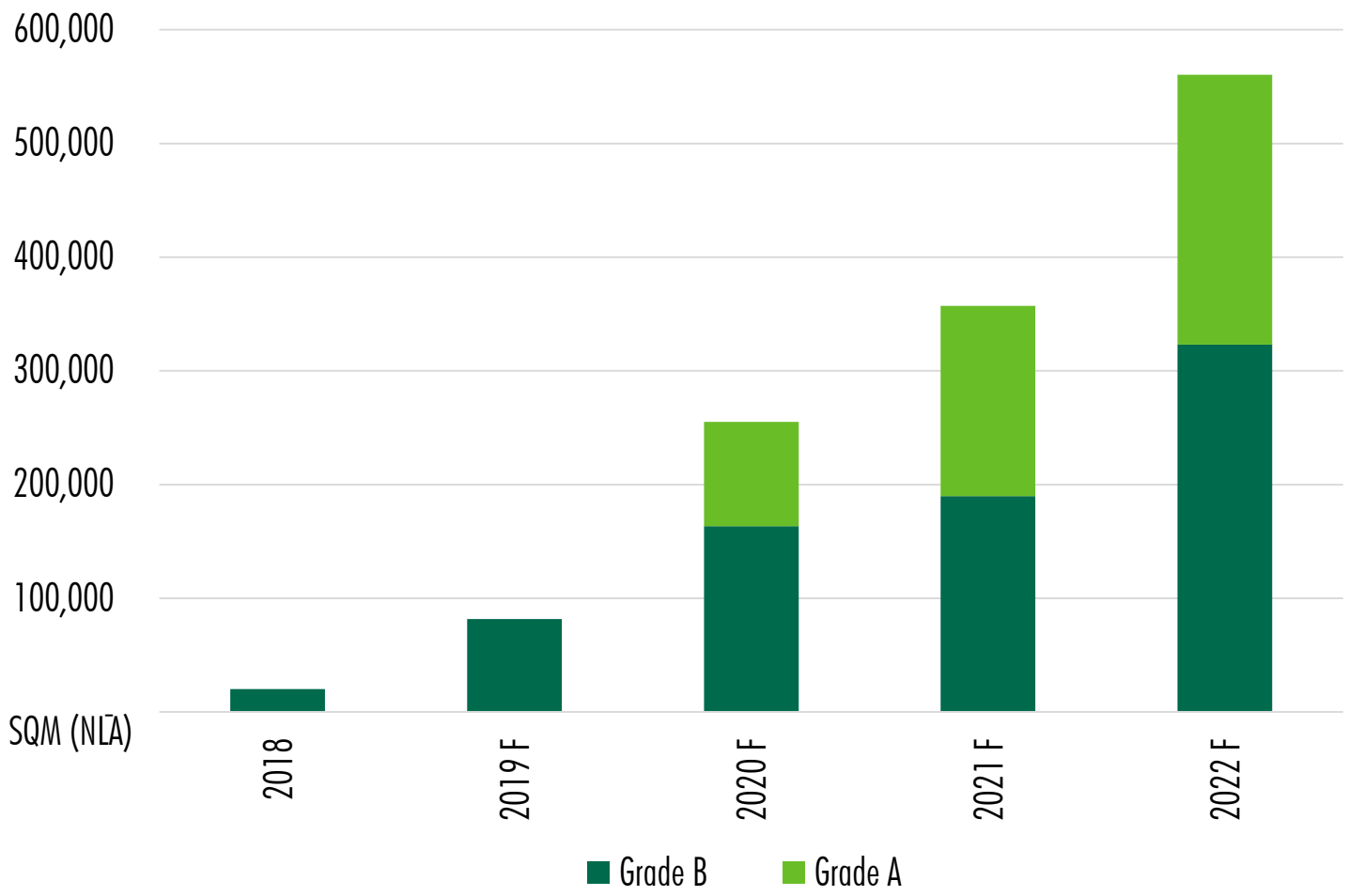

NEW COMPLETION

STAR CITY

51% SUPPLY INCREASE

40,500 SQM CURRENT STRATA-TITLE SUPPLY

NEW ANNOUNCEMENT

VERSAILLES SQUARE

11,260 SQM

Source: CBRE Research, Q2 2019

OFFICE

MAP OF FUTURE OFFICE SUPPLY

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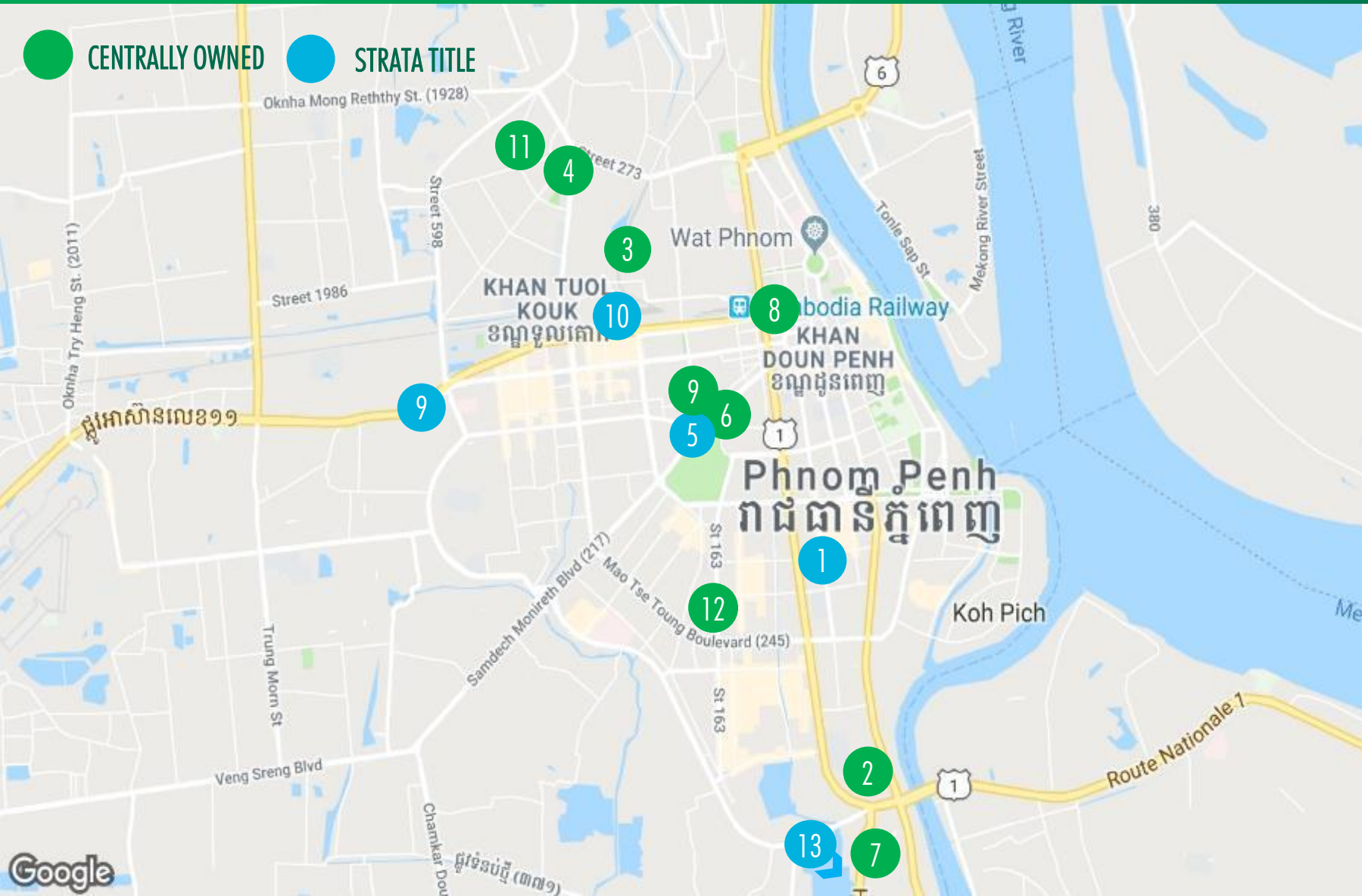

1. CHIEF TOWER
2. DOWNTOWN 93
3. ONE PARK
4. TK CENTRAL
5. FORTUNE TOWER
6. C5 OLYMPIA CITY
7. MARITIME TOWER
8. SOMA GROUP HQ
9. CHIP MONG BAKTOUK COMMERCIAL CENTER
10. THE GATEWAY
11. THE COMMUNE
12. THE POINT
13. VERSAILLES SQUARE

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CONSTRUCTION INVESTMENT

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RETAIL SUPPLY

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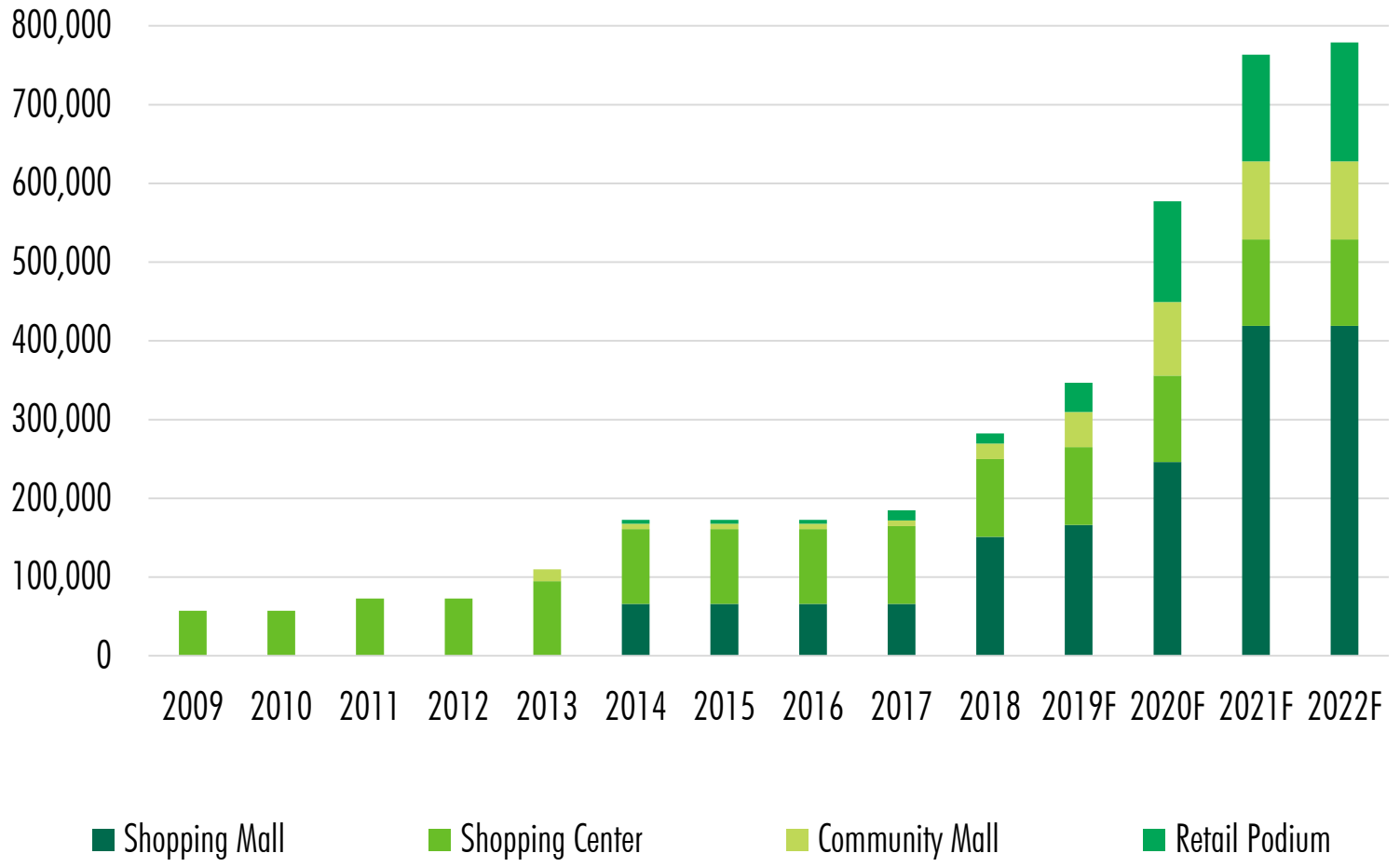
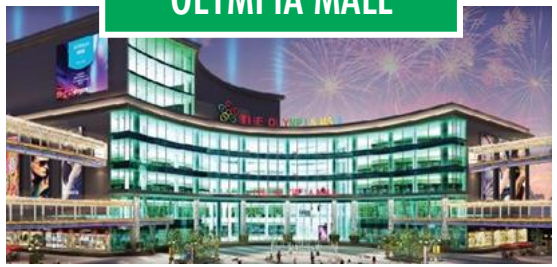


NEW COMPLETIONS

MiDTOWN MALL

OLYMPIA MALL



7% INCREASE IN TOTAL SUPPLY

Source: CBRE Research, Q2 2019

RETAIL AVERAGE ASKING RENTS FELL

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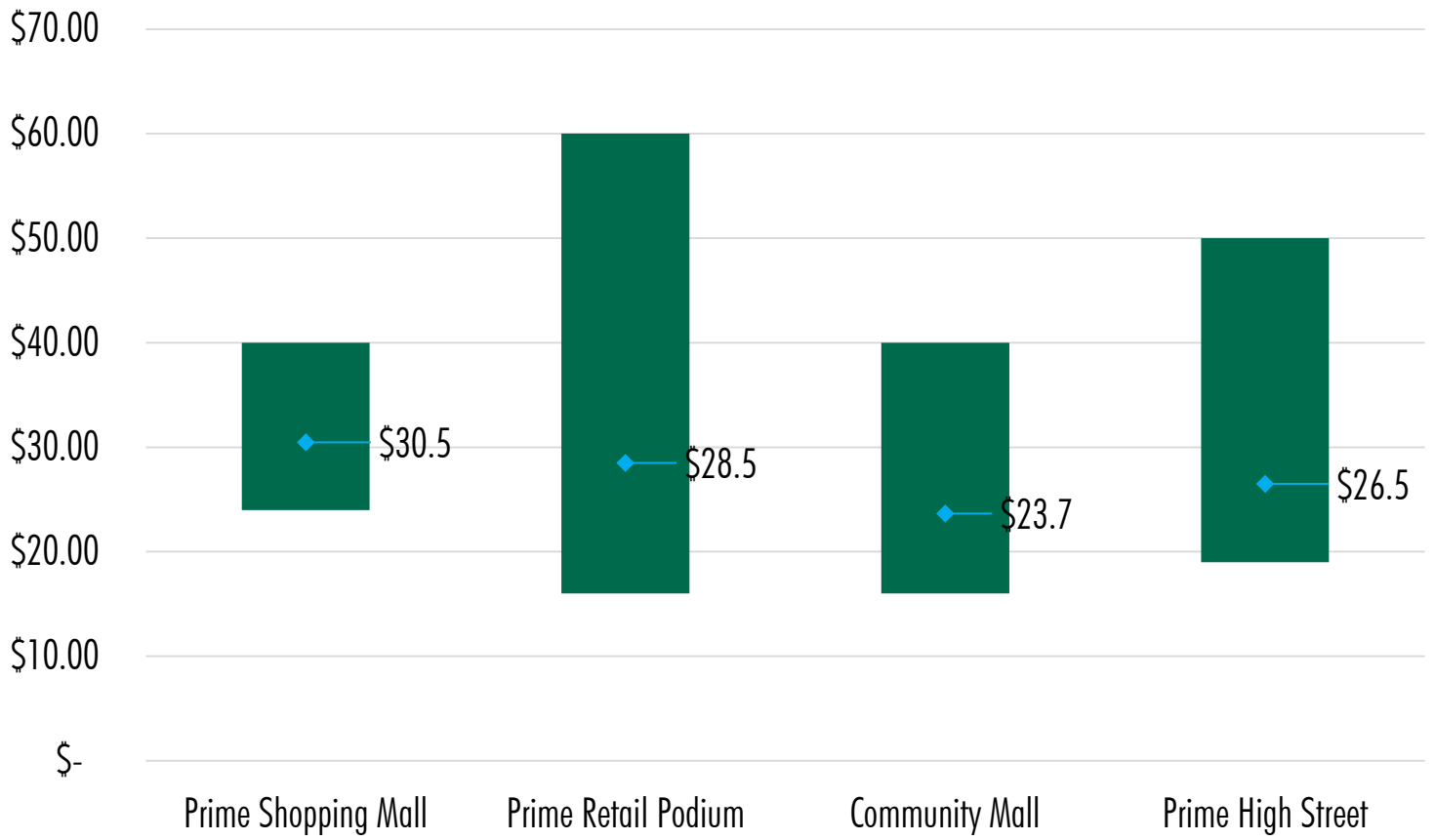

* Prime quoted rents for ground and 1st floor space

Source: CBRE Research, Q2 2019

↓ 4% DECREASE FOR RETAIL PODIUM

↓ 5.7% DECREASE FOR COMMUNITY MALL

↑ 4% INCREASE FOR SHOPPING MALL

RETAIL VACANCY THE LOWEST IN 10 YEARS

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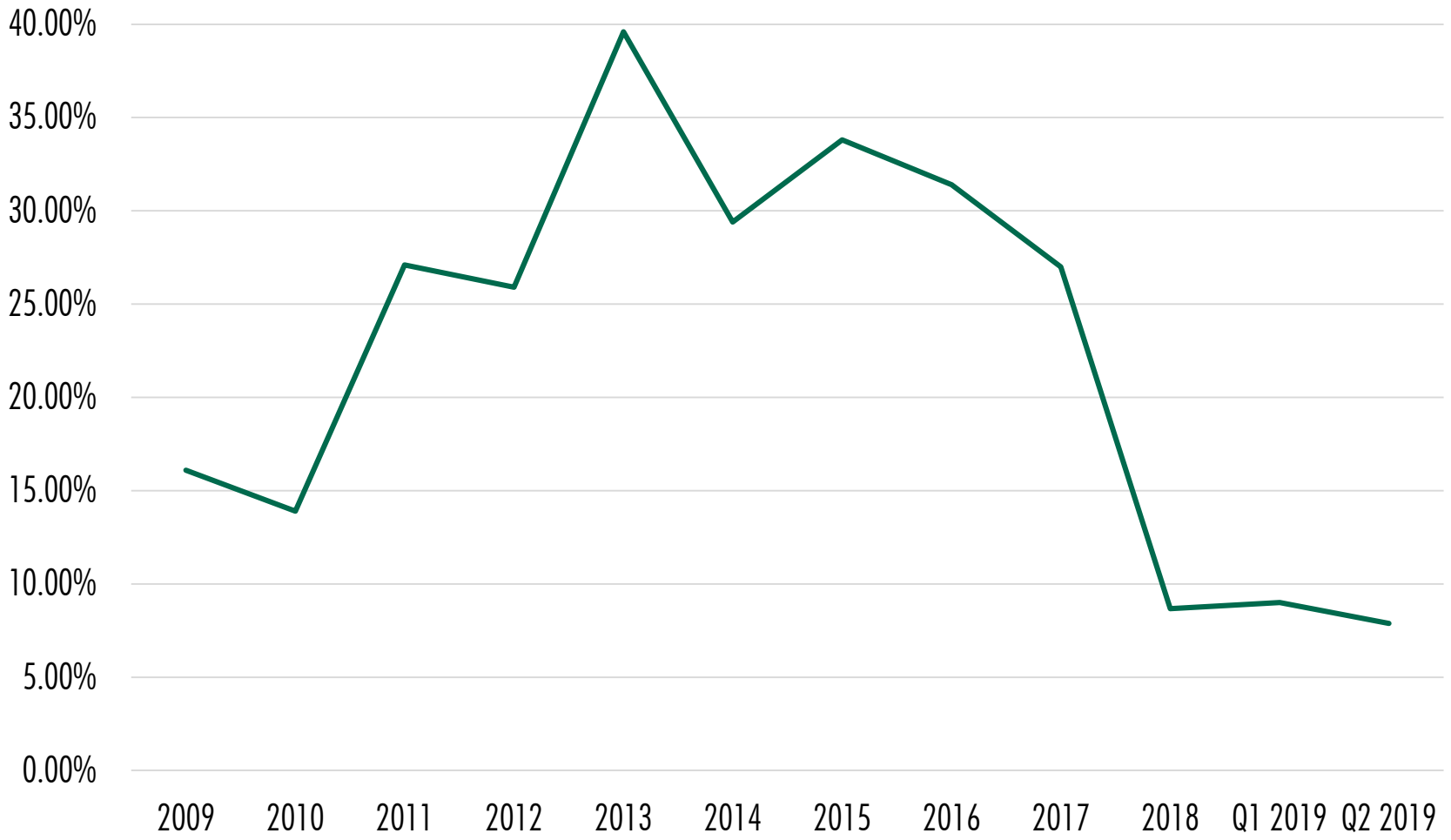

1.1%
DOWNWARD ADJUST OF VACANCY RATE

7.9%
CURRENT VACANCY RATE

Source: CBRE Research, Q2 2019

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CONSTRUCTION INVESTMENT

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SUPPLY OF SERVICED APARTMENT H1 2019

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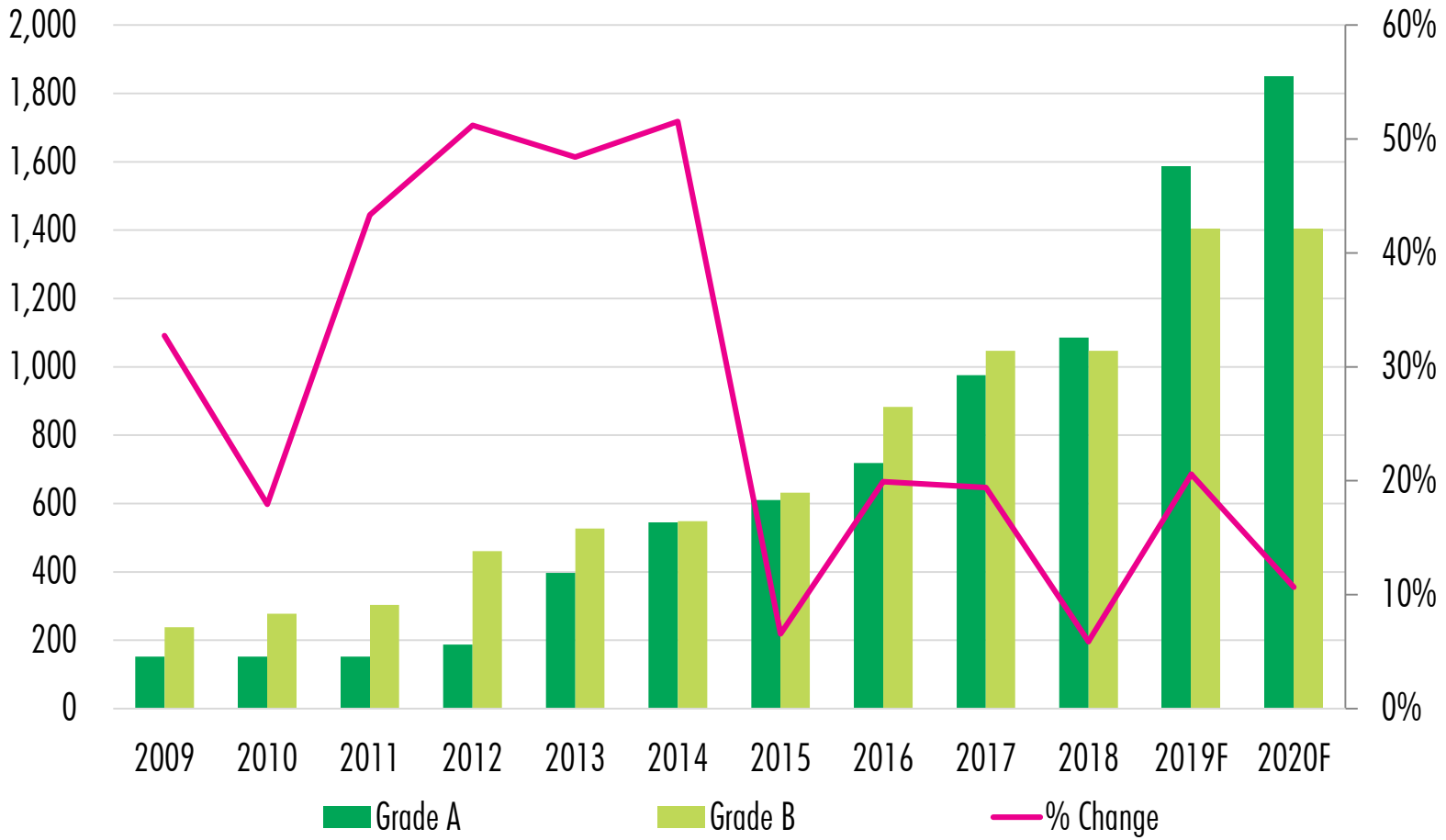

Source: CBRE Research, Q2 2019

NEW COMPLETIONS

ALPHA RESIDENCE

THE VIEW APARTMENT

SUPPLY OF SERVICED APARTMENT

APPROX. **2,500** UNITS

ASKING RENTS OF SERVICED APARTMENT

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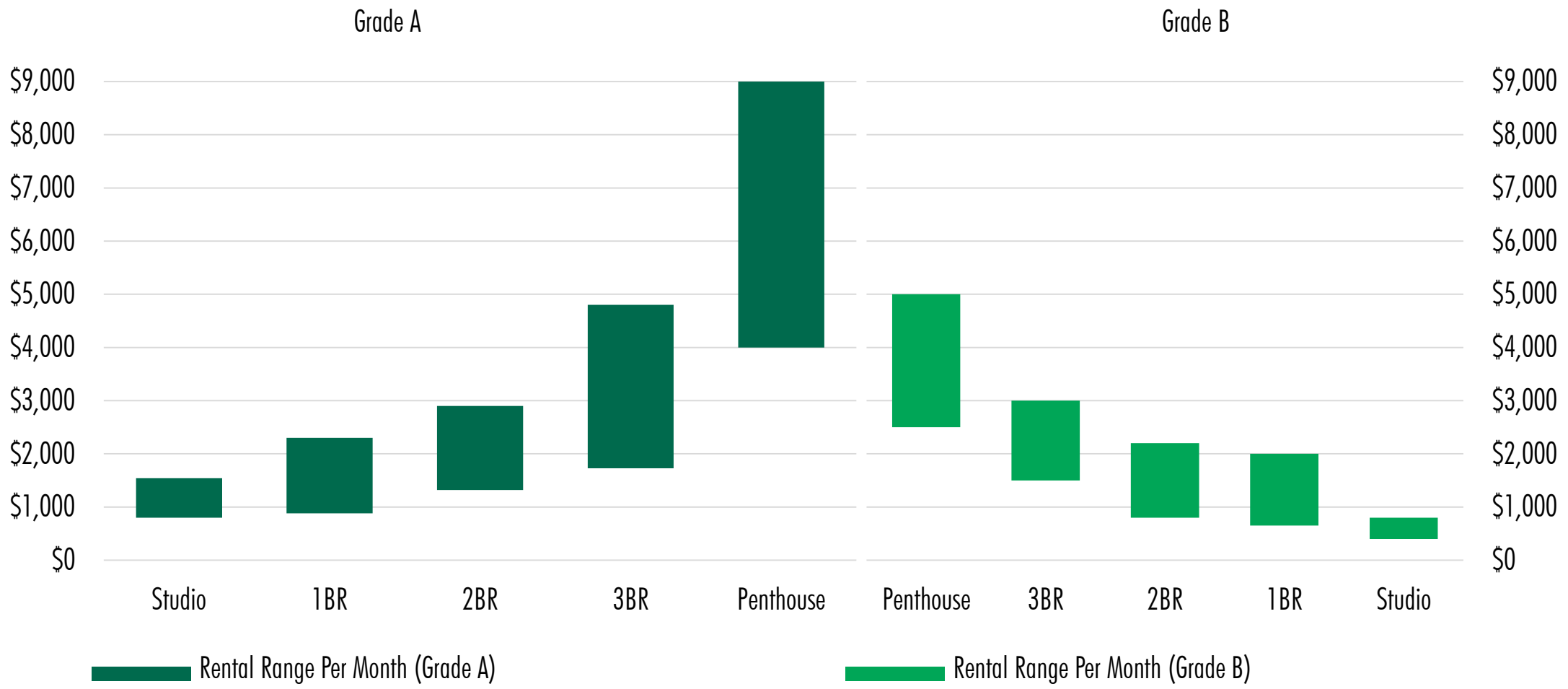

Source: CBRE Research, Q2 2019

SERVICED APARTMENT DISTRIBUTION

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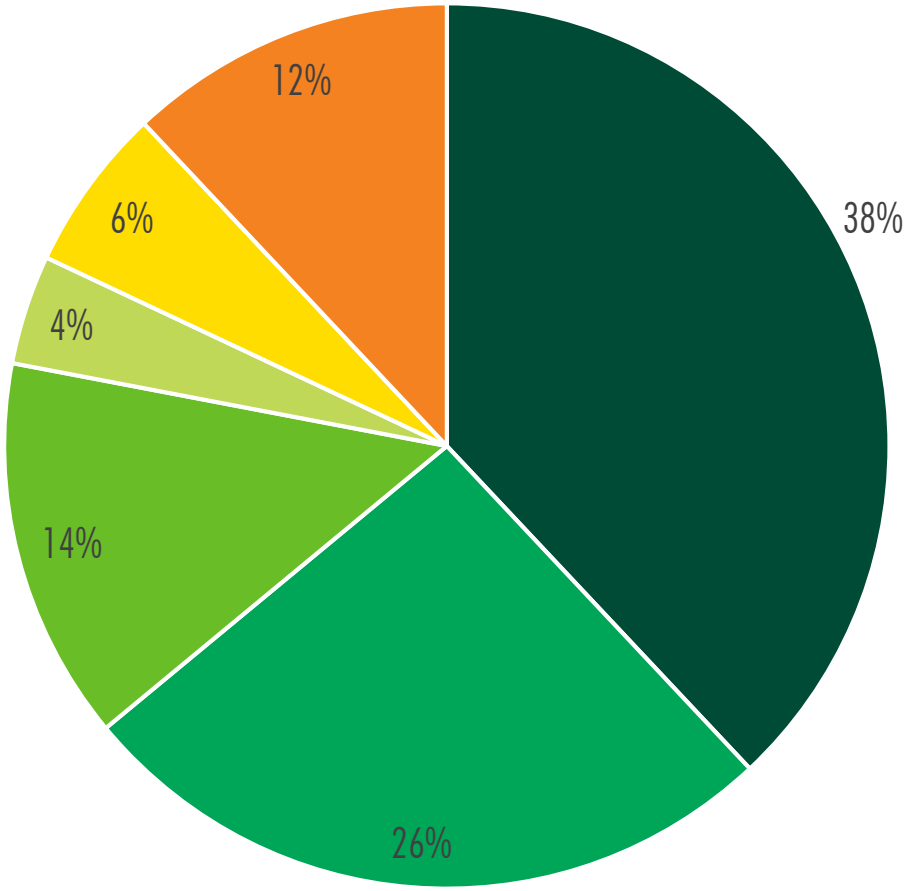

- BKK1
- Daun Penh
- Tonle Bassac
- Tuol Kork
- Tuol Tumpoung
- Others

THE VAST MAJORITY OF GRADE A AND GRADE B SERVICED APARTMENT SUPPLY IS LOCATED IN THE CENTRAL REGIONS OF PHNOM PENH.

Source: CBRE Research, Q2 2019

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THANK YOU!

For more info, please contact:

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