



Market Insights by ERA Data Intel
Condominium Market and
Outlook Report 2025

Q1 2024



A Subsidiary of ERA Cambodia

MACRO INDICATORS - 2023



GDP Growth
5.5%



Inflation Rate
3%



Approved Projects
\$4.57B



Int'l Tourist Arrivals
5.4M



More than
\$6.6B of Mortgage



\$1.5B of NPLs



11% of USD
Loan Interest Rate

Overview

Condominium market has witnessed a relative slowdown in new launches since covid-19, due to overall economic impacts from multiple factors, yet completion of general condominium projects was still able to meet a desirable expectation. The slowdown of the condominium market was due to Covid-19 lockdown in 2020, which led to a halt of general local economic activities, a sudden drop of international arrivals of tourists during and immediate post-covid-19 period, and extended external economic shocks from Russia-Ukraine and then Israel-Hamas wars, which caused a surge in fuel prices and inflation.

Condominium market relies heavily on international purchasers and very lightly also on local buyers. A real estate market downturn in China had a spillover negative effect on Cambodia's real estate sector, including investments in high-rise developments and condominium projects.

Market Indicators - 2023



Total All Types
90,955 units



Total Residential Purpose-Built
66,000 units



New Launched
3,628 residential units



New Completed
4,411 residential units

Key Forecasts - 2025



Total All Types
142,700 units



Total Residential Purpose-Built
76,600 units



Total Completed
75,200 residential units

Key Updates

Year 2023 saw a slow comeback of new launches, albeit slightly, compared to the covid-19 and immediate post-covid-19 lockdown, while 2024 is forecast to see slight growth of new launches. Figures from ERA Data Intel indicate:

- 90,955 is the cumulative number of all condominium units from all types of condominium projects counted as of 2023.
- 66,000 is the cumulative number of supplies of condominium units classified under residential-purpose-built type as of 2023.
- 3,628 of new units of residential type were launched into the market in 2023, a growth of 66 percent compared to 1,225 of new units launched in 2022.
- Average CAGR growth of new unit launches is 28 percent per year from past to date.
- 4,411 of new residential condominium units were completed in 2023, contracted by negative 174 percent compared to that of 2022, which had 12,079 units completed.
- Average CAGR growth of new unit completion is 48 percent per year from past to date.

Key Forecasts

ERA Data Intel outlooks at condominium market as a positive growth, albeit very thin, thanks to overall economic recovery with GDP poised to grow by 6.1 percent in 2024 and 6.3 percent in 2025, according to World Bank forecast.

By 2025, overall condominium figures are forecast to reach:

- 142,700 of total existing and new units cumulatively added up from all types such as residential and commercial categories of condominiums across Phnom Penh.
- 76,600 of total existing and new units cumulatively added up to the market for those classified under residential-purpose built category.
- 75,200 of total units cumulatively completed for those classified under residential-purpose built category.

Despite the overall oversupply and low occupancy rate, market players have started market stimulation such as lowering prices, optimizing unit sizes and prices to suit current and future demand, and adopt aggressive sale strategies to pass through this tough of time.

In addition, market simulation strategies such as renovating available units into rental apartments, offices and hotels to liquify their assets were also applied across the market.

- 2024 is forecast to see a small number of new launches of 3,800 units into the market classified under residential category, mainly thanks to a few of incoming planned projects, a slight increased figure of previous-year approved construction projects, and very lean market absorption rate.
- 2025 will see new launches of 7,000 units, thanks to the effect of market stimulation and the predicted improved recovery of overall economic activities by 2025.
- 75,200 of total units cumulatively completed for those classified under residential-purpose built category.

Recent Projects - 2023



Launched:
J-Tower 3, 77-Story Condo,
360 units, all 3-bedroom type



Launched:
Time Square 3, mixed
office and residence, 280 units



Launched:
Condominium by
Dragon Land, 143 units



Completed
J-Tower 2, 43-Storey
Condo, 228 residential units

Section 1: Overview

As of 2023, condominium launches of all types across 511 projects in Phnom Penh Capital cumulatively reached 109,055 units, of which 95,642 or 89% percent belong to residential condominium category. The other 11 percent was categorized as strata title office, SOHO and mixed-used, condotel, and serviced apartment types. All figures mentioned above, however, include completed, ongoing and planned projects.

TYPES OF CONDOMINIUM DEVELOPMENT - PHNOM PENH (Figures Include Completion, Ongoing, and Planned Project) as of End of 2023

Condo type	Count of Number of Towers	Proportion	Sum of Number of all units in this Condo Total Units	Proportion
Residential	456	89.24%	95,642	87.70%
SOHO: Small-Office, Home-Office	7	1.37%	1,454	1.33%
Condotel	2	0.39%	702	0.64%
Strata title office	10	1.96%	2,518	2.31%
Hotel	7	1.37%	252	0.23%
Mix used: Hotel, Apartment, Office	27	5.28%	8,367	7.67%
Service Apartment	2	0.39%	120	0.11%
Grand Total	511	100%	109,055	100%

Source: ERA Data Intel, 2023

Section 2: Summary Statistics, By Status and Residential Type

There were 3,628 new units launched into the market and new completion of 4,411 units in 2023 in Phnom Penh for residential category.

Cumulative number of condominium supply categorized under common purpose-built residential type totaled 65,690 units, including completed, ongoing and newly launched as of 2023.

All completed purpose-built residential projects so far delivered 53,071 units as of end of 2023, which made it a massive number of lettable and occupiable units possible for multiple purposes such as resale or renovation for renting out to clients.

OVERALL SUMMARY STATISTICS - PHNOM PENH

Condominium Supply by Unit Types and Year (as End of 2023) - Residential Types Only



	One - Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Penthouse	Total
Total Cum Unit Launched as of 2023	39,702	19,742	5,791	157	298	65,690
Proportion %	61%	30%	8%	0%	1%	100%
2018 Supply	6406	5,219	1,542	0	0	13,167
Proportion %	49%	40%	12%	0%	0.00%	100%
2019 Supply	6,627	1,927	158	4	52	8,768
Proportion %	76%	22%	2%	0%	1%	100%
2020 Supply	1,004	748	204	27	0	1,983
Proportion %	51%	38%	10%	1%	0%	100%
2021 Supply	751	353	208	21	0	1,333
Proportion %	56%	26%	16%	2%	0%	100%
2022 Supply	710	350	150	15	0	1,225
Proportion %	58%	29%	12%	1%	0%	100%
2023 Supply	1,759	1,150	704	15	0	3,628
Proportion %	48%	32%	19%	0%	0%	100%
Total Cum Unit Completed as of End of 2023	33,043	15,563	4,158	73	234	53,071
Proportion %	62%	29%	8%	0%	0%	100%
2018 Completion	4,374	2,365	476	29	82	7,326
Proportion %	60%	32%	6%	0%	1%	100%
2019 Completion	4,927	1,806	575	0	52	7,360
Proportion %	67%	25%	8%	0%	1%	100%
Completion in 2020	10,739	3,219	748	3	48	14,757
Proportion %	73%	22%	5%	0%	0%	100%
2021 Completion	5,013	1,654	449	4	21	7,138
Proportion %	70%	23%	6%	0%	0%	100%
2022 Completion	5,525	4,871	1,658	10	15	12,079
Proportion %	46%	40%	14%	0%	0%	100%
2023 Completion	2,465	1,651	252	27	16	4,411
Proportion %	56%	37%	6%	1%	0%	100%

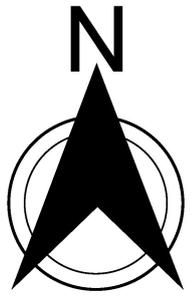
Source: ERA Data Intel, 2023

Section 3: Market Summary – Purpose-Built Residential Type by District

Chamkar Mon district hosted the largest number condominium supply (purpose-built residential type) so far, having 17,422 units in total, presenting 26 percent of the total in Phnom Penh, as of 2023.

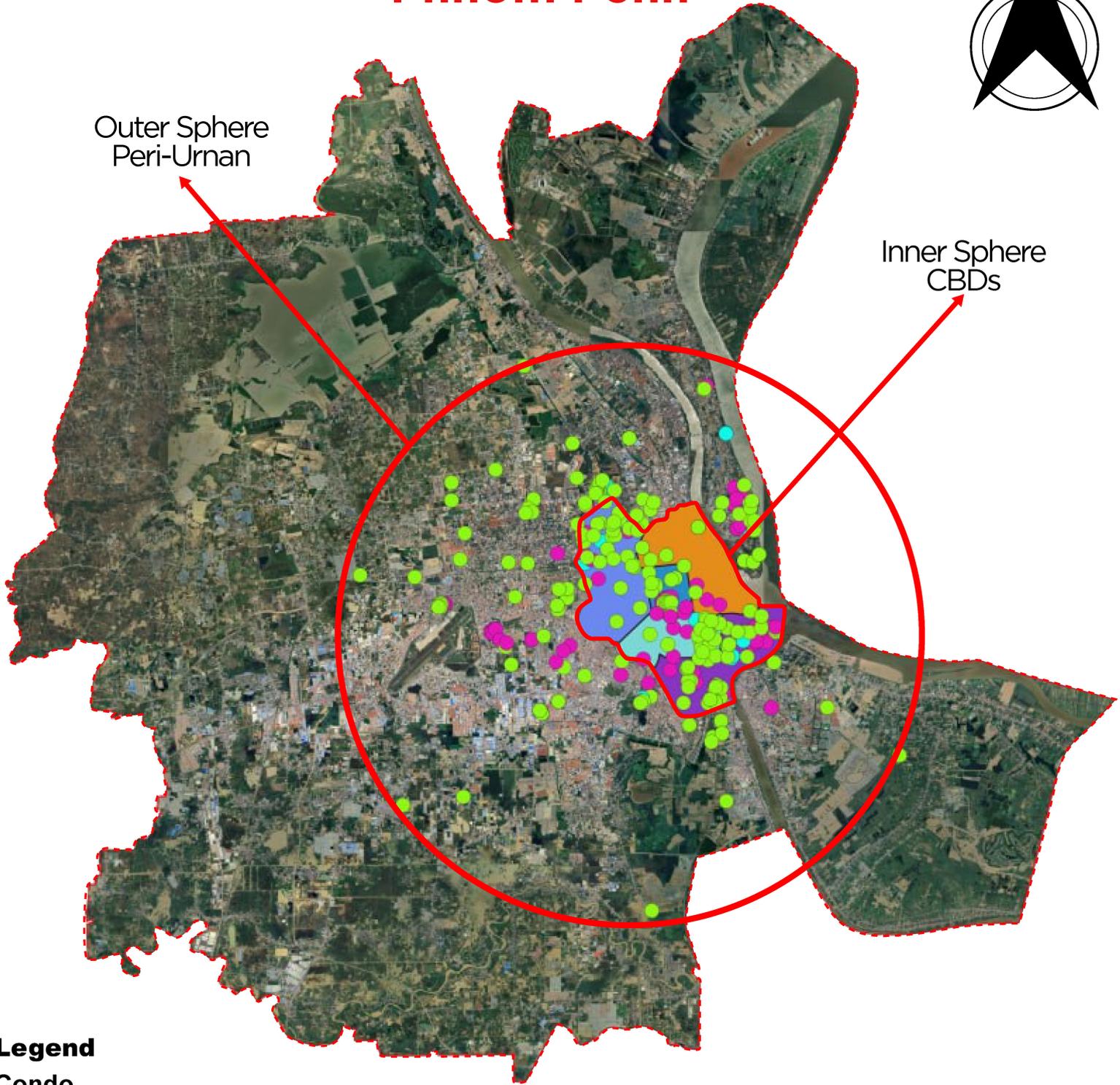
Meanchey district is the second largest host, having 11,865 units, representing 18 percent, and followed by Sen Sok district, which had 9,854 units or 15 percent of the total in the whole Phnom Penh.

Phnom Penh



Outer Sphere
Peri-Urban

Inner Sphere
CBDs



Legend

Condo

- 2016 - 2023
- 2011 - 2015
- 2007 - 2010

District Boundary CBD Marks

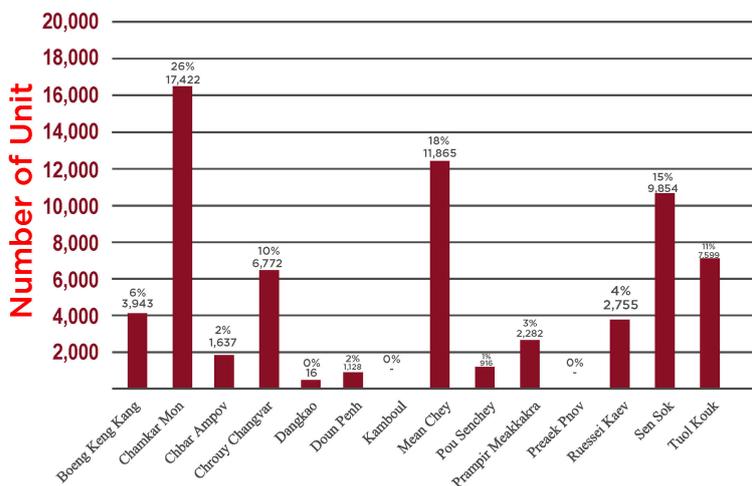
District Name:

- Boeng Keng Kang
- Chamkar Mon
- Doun Penh
- Prampir Meakkakra
- Tuol Kouk
- Phnom Penh Boundary

Source: ERA Data Intel, 2023

CONDOMINIUM

Total of Supply by District (Residential Types)



source: ERA data intel, 2023

Condominium Scattered View on Map

Marked with dark overlay colors are central areas (CBDs). Condominium development has scattered outside the central bustling areas to the suburban areas within recent years. High prices in land values in the central urban force condominium developments to sprawl outside to the suburban areas where numerous business and economic activities have started to take place.

Section 4: Condominium Market Outlook and Trends

Year 2024 and 2025 will witness a sluggish growth in overall real estate, not to mention condominium market. Challenged by excessive market oversupply, market players started various strategies to create demand for the existing supply.

Still, lean opportunity for growth for condominium market as stimulated by flexible payment options for condo purchase, condo-type mortgages available from some banks, and optimizing condo packages aiming to suit local affordability as well as foreign buyers.

All Condominium Types - All type condominium supply (those launched to the market) cumulatively reached 109,055 units as of end of 2023 and it was forecast to reach cumulatively 142,700 units by 2025 in contrast to all the total planned projects which should have accumulated 165,500 units by 2025, meaning that the planned projects that could have delivered another 14 percent were halted or paused back the progress.

According to Phnom Penh 2030s, the 10-year prediction report, it is forecast that all type condominiums will accumulate about 175,000 units by 2025. ERA Data Intel puts forward the forecast estimate at 142,700 units by 2025 due to unexpected happening such as covid-19, global

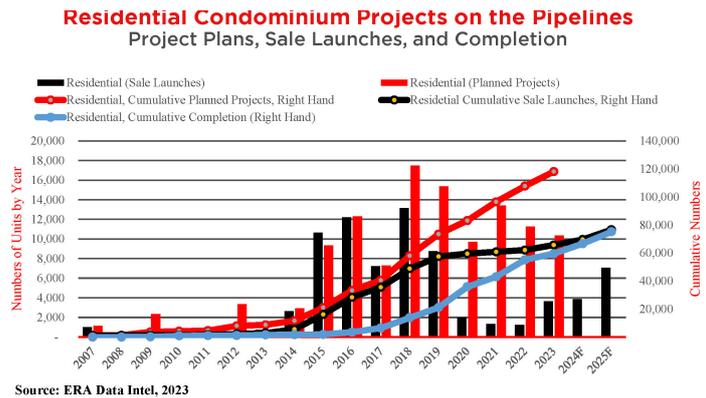
slowdown dragged by Russia-Ukraine war, and US-based interest rate rising that affected most of emerging economies.

Residential Condominiums - Residential condominium cumulative supply was recorded at 66,000 units by 2023 and will reach 76,600 units by 2025 according to ERA Data Intel forecast.



According to all planned projects for residential condominiums, about 118,000 units should have been added to the market but due to a change of situation, some 55 percent of planned projects were halted, paused, or shifted to other condominium types such as strata title offices or other types.

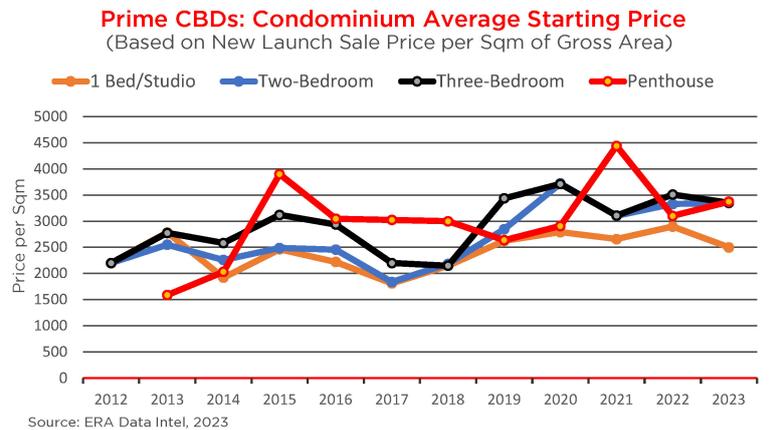
New launches of about 3,800 units are projected to add to the market in 2024 and 7,000 units in 2025.



New completion of 7,000 residential units from different projects across Phnom Penh as projected based on planned completion by developers will add to the existing completion by 2024 and 8,500 units of the completion will add up in 2025, so cumulatively those will reach almost 80,000 units as of end of 2025.

Section 5: Condominium Price Trends (Asking Prices) Central Urban Areas

Condominium average asking prices per sqm in the central business districts (CBDs) fluctuated slightly during and post covid-19, despite the slowdown in sales, yet many favorable purchase schemes were available for buyers.



Studio room/ One-bedroom - Average asking prices for studio room/one-bedroom units in prime CBDs slightly changed from 2019 to 2023, staying averagely US\$2,500 per sqm.

Peri-Urban Areas

Condominium average asking prices per sqm in peri-urban (or suburban areas) of Phnom Penh stayed slightly up in the past two years, yet a trend showed a bit drop in 2023.

2-Bedroom, 3-Bedroom, Penthouse - Average asking prices for 2-bedroom, 3-bedroom and penthouse fluctuated as well, but dropped in these three years, staying at US\$3,300 per sqm in 2023.

One-bedroom and Two-Bedroom - There was a slight drop in primary asking prices per sqm in 2023 for one-bedroom and two-bedroom, staying at US\$1,800 per sqm for one-bedroom and two-bedroom units, compared to about US\$1,400 per sqm in 2020 and US\$2,000 per sqm in 2022.

Reasons for fluctuating prices did not reflect condominium price index, but this was the reason that different projects come with different locations (premium vs less premium), buyer targets, pricing schemes, and quality.



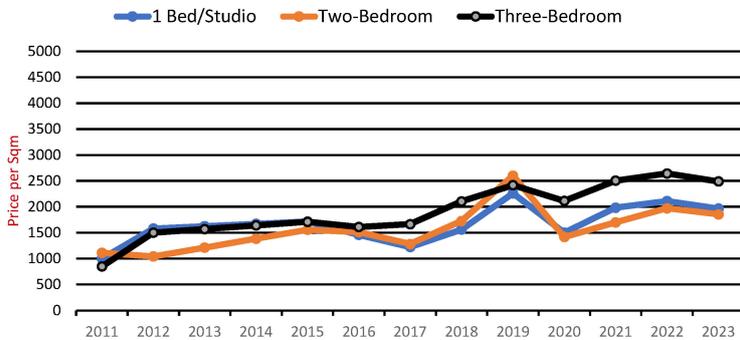
ABOUT ERA DATA INTEL



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The company offers data-driven solutions for Market Intelligence and Consultancy, ERA Best Deal, and ERA QuickeStimate to our valued clients for them to make a better choice when selling and buying a property.

Peri-Urban Districts: Condominium Average Starting Price (Based on New Launch Sale Price per Sqm of Gross Area)



Source: ERA Data Intel, 2023

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ABOUT ERA REAL ESTATE (WORLDWIDE)



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Has over 39,000 affiliated brokers and sales agents worldwide

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