

Yoma's ambitious Star City takes shape

IT IS hard to believe that the dusty rough expanse of land near Yangon city centre could possibly be transformed into a sprawling modern riverside community.

Even getting there is a struggle, travelling on roads that are at times bumpy and narrow.

At the development itself – Star City, a 35-minute drive away from the city centre – construction is roaring along. The project's showroom gives some idea of the ambition behind it.

It features a large model of the development sitting on the Bago River banks, depicting homes, parks, restaurants, bars and a retail complex. A ferry terminal and golf course will also be built.

Fully furnished showflats are available for buyers. Interior design companies are on hand to offer advice. The showroom is not crowded, but there is an air of activity, with a regular stream of buyers and salespeople pitching.

It could be any typical showflat in Singapore, except for the impressive view that stretches to the revered Shwedagon Pagoda.

And showflats back home do not have buyers carrying wads of cash. No one bats an eyelid when one man nonchalantly takes out stacks of cash from a plastic bag and piles it neatly on a table.

A salesman makes several trips to deposit them in the back of office, a good sign that Myanmar's banking system is still basic and most payments are cash only.

Mr Ivan Pun, head of corporate development at developer Yoma Strategic Holdings, said: "This will be one of the most ambitious middle-class housing projects in the country to date, with 9,000 or so apartment units to be built over the next five to eight years."

Homes at Star City will be of a high standard, Mr Pun added, with a two-bedroom apartment of about 900 sq ft costing around US\$120,000 (S\$148,000).

Land prices in Myanmar have soared in recent years, driven by businessmen in the mining or



Visitors looking at a model of Star City at its showroom. The development will have homes, parks, restaurants, bars and a retail mall. ST PHOTO: NEO XIAOBIN

gem industries looking for somewhere to invest their growing wealth.

At the same time, many of the younger generation are returning from overseas and are looking for homes. Mr Pun said: "There is at most a handful of condo housing (developments) in Myanmar."

Foreigners cannot own residential properties in Myanmar.

Net profit at the Singapore-listed Yoma surged 170 per cent in the last quarter to \$3.6 million, helped by sales of Star City units.

The company has another landmark development in Myanmar under way. It announced plans last November to redevelop its

flagship FMI Centre Tower, Grand Meeyahta Hotel and the former railway headquarters.

The railway headquarters will be turned into a five-star hotel, a stone's throw away from the Traders Hotel. The site will also include a condo, four-star hotel and serviced apartment complex.

Mr Pun, like many of his countrymen, is upbeat about the future: "We have been a public company for years, with Myanmar not being... of much interest to investors. Yoma has suffered for it."

"But now with interest returning to companies with a Myanmar exposure, it will be an exciting period for us."

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