



# Doh Eain's Restoration Strategy: Responsible, Market-Driven Preservation and Urban Regeneration

[www.doheain.com](http://www.doheain.com)

<https://www.facebook.com/DohEainYGN>



# Content

- Context
- About Doh Eain
- Our current restoration work
- What we plan next & challenges

Context

# A unique city



# Rapid urbanisation



“ပြင်ညာမေ တဂူ ကမဘညေငဖနယ တငအေ ဝေ  
စမသန္ဓိခအနိ ၅-၁၀ ဂူငသည စနသဂူန ဝသလငညါ  
အသ ညေါသည ညေါ သအနမ ခငအငနျ သလနမ  
အန သောငညါ ဝနခိနိ သမ ပသ။

မဘညေ ညိန် ဝပေ ဝိန်ငညန အန ဝကအကမန သ်  
ပြင်ညာမေ တန ဝပေ လေန ညလဘေ့န ခငအငနျ



# Tipping point

- Between 1990 and 2011 **35%** of heritage buildings in Yangon (=1800 buildings) destroyed
- Yangon inhabitants only have **0.37 m<sup>2</sup>** of public space per person, versus **6 m<sup>2</sup>** in Jakarta, **8.5 m<sup>2</sup>** in Bangkok, and **30 m<sup>2</sup>** in Paris.
- Serious **congestion** issues
- Poor **air** quality
- Reduction in **safety** and **social cohesion**



# Barriers to restoration & regeneration

Lack of regulations & planning

Limited finance:

- Public funds:
  - Limited availability (MM & international)
  - Focus on one-off large projects focused on landmark areas
- Private funds:
  - Limited availability due to risk, externalities, low returns
  - Risk of suboptimal redevelopment

www.yhtliveableyangon.org

# Yangon Heritage Strategy

Combining Conservation and Development to Create Asia's Most Liveable City



## Glimmers of hope

- More **strategies** and **studies** highlighting importance of conservation and liveability
- **Regulatory frameworks** around demolition/new built are underway (new YCDC law)
- Recent years of reform have resulted in **more possibilities and interest amongst citizens to get involved in improving their city**
- Economic development is resulting in **more resources from private sector** and the public



# About Doh Eain

# Doh Eain: a restoration and placemaking firm based in Yangon



In a world of **rapid urbanisation**, we want to make sure that cities are places with identity, and that they are **liveable, inclusive** and **sustainable**.

To that end, we **preserve heritage, improve public space** and **organise activities that connect people with places**, employing our user-centred, participatory and market driven approach.



# Responsible & market driven

- Following **international best practices** (e.g. Burra Charter)
- Closely **coordinated** with local authorities, YHT and other relevant bodies
- Demonstrating **inclusive, collaborative and commercially viable** restoration & regeneration (= returns for residents, local government and investors or clients)

# Our focus

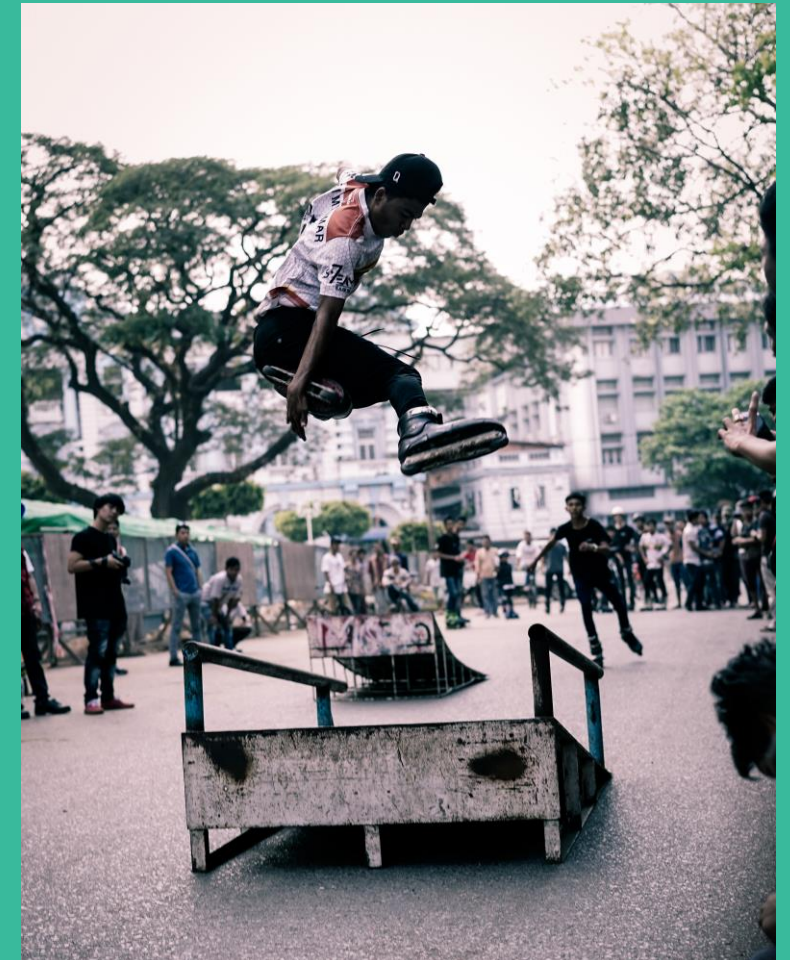
Restoration



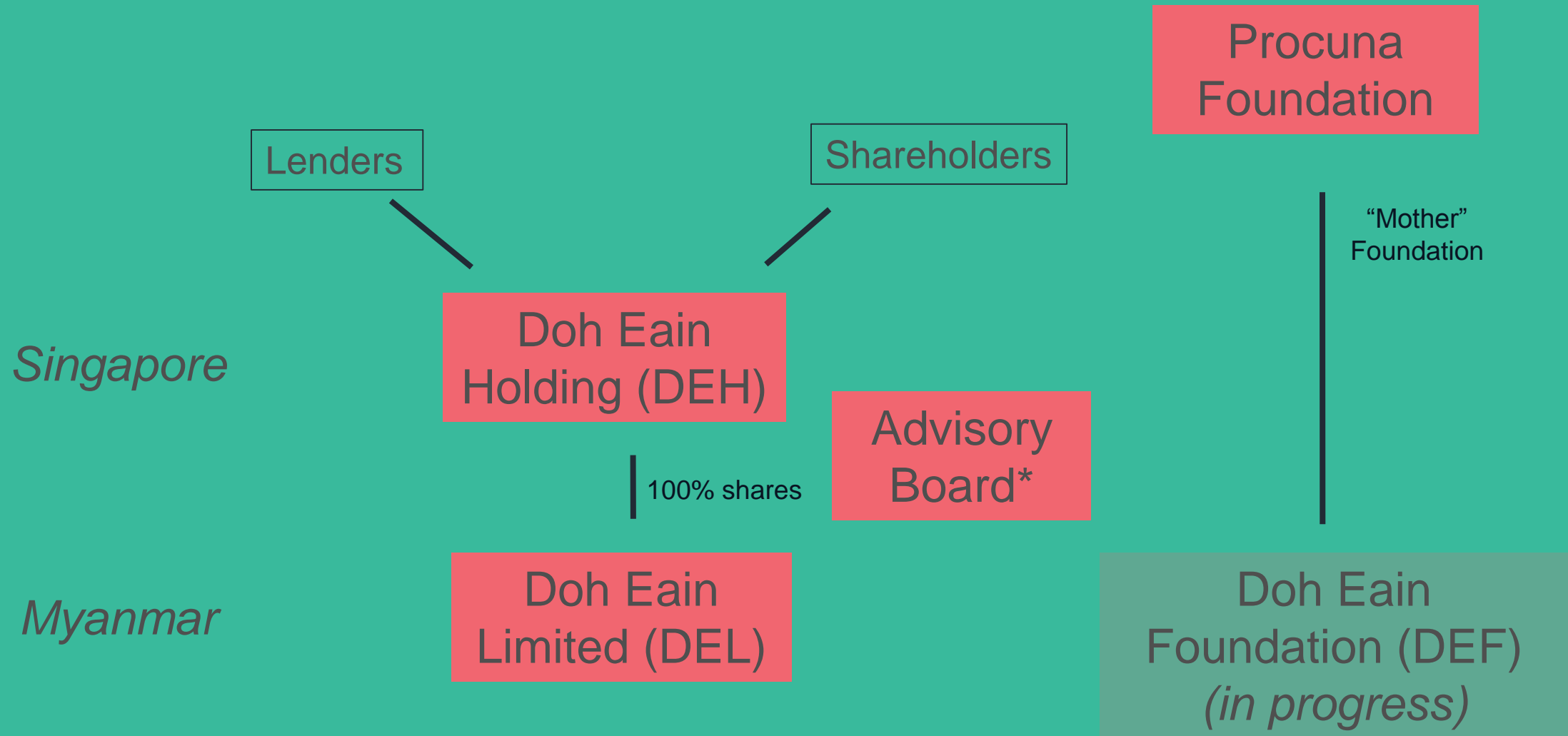
Public space



Capacity Building



# Structure of social enterprise



\*No legal status

# What we do – restoration (under company)

## RESEARCH

- Historical research
- Building condition assessments
- Broader heritage asset mappings

Delivery of reports, visions, concepts, strategies and masterplans

## DESIGN

- Detailed design concepts
- Costing (sometimes subcontracted)
- Government engagement to secure approvals

Delivery of detailed restoration concepts and designs

## FINANCE

- Financial modeling for specific restoration projects
- Financial products for restoration (in progress)

Delivery of finance required for restoration

## RENOVATE

- Tender management and design coordination
- Building by our team of builders

Delivery of actual restoration

## MANAGE

- Ensure occupancy/use
- Tenant support
- Maintenance

Delivery of income that makes model work



# Delivered to date

- Restoration activities started slowly early 2016, incorporation mid 2017

## • နှစ်လနမန်

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• ၂ နှစ်ညါ ရ  
• နှစ်ညါ

# What we do – placemaking (under company)

## RESEARCH

- Investigate and analyse the social, cultural and spatial features, needs and possibilities of places

Delivery of reports, visions, concepts, strategies and masterplans

## DESIGN

- Detailed design concepts engaging communities and stakeholders
- Pilot projects and prototyping
- Costing
- Government engagement to secure approvals

Delivery of a detailed actionable plan for place

## BUILD

- Tender management and design coordination
- Building by our in-house construction team
- Participatory building activities led by our in-house construction team

Delivery of the place

## ACTIVATE

- Launch events
- Continuous programming
- Sponsorships and partnerships

Delivery of activities that get a place going

## MANAGE

- Governance and maintenance plans
- Maintenance support
- Safety and security
- Monitor and measure impact

Manage activities that keep the space vibrant and alive



# PLACEMAKING FRED KENT



## What is placemaking?

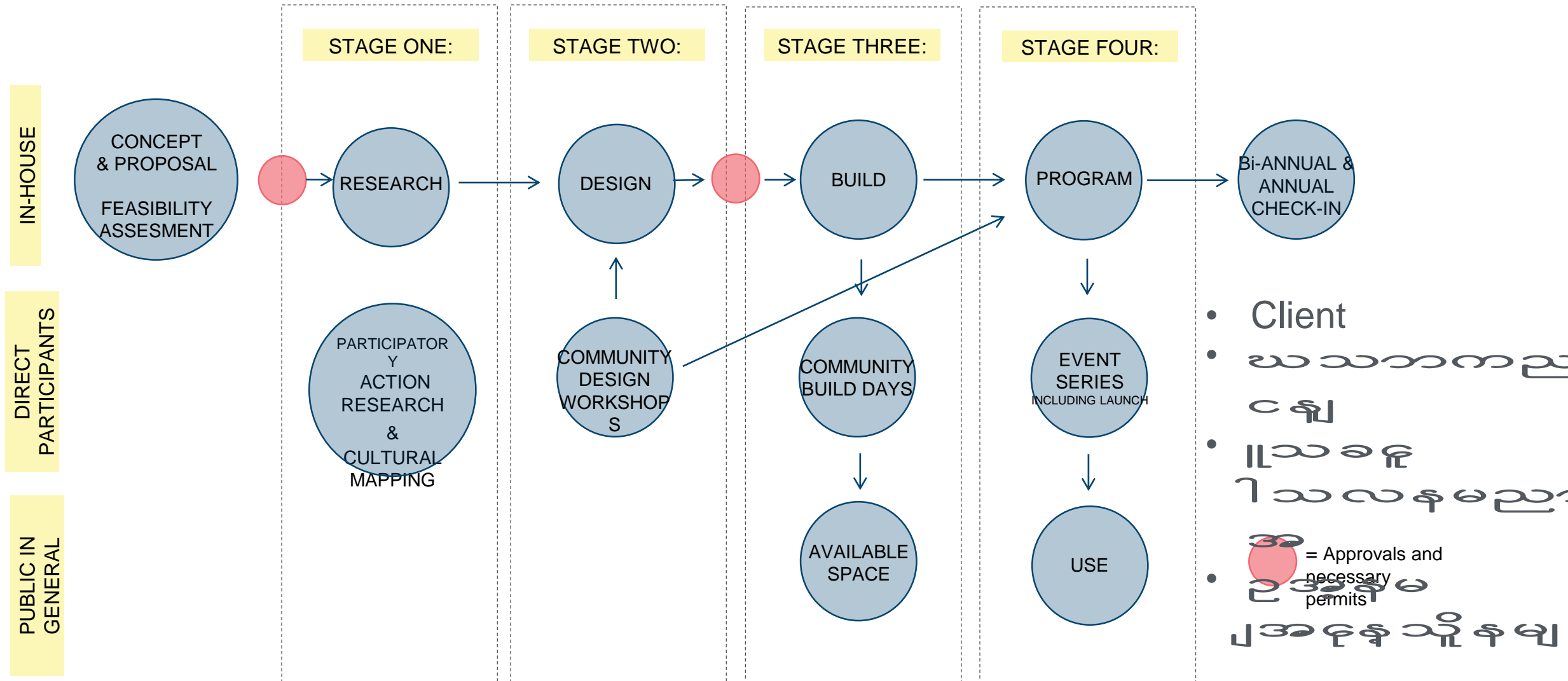
Placemaking is a practice of public space design that harnesses the inspiration and assets of the local community.



Cities have the capability of providing something for everybody, only because, and only when, they are created by everybody.  
-Jane Jacobs

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# Doh Eain's placemaking process



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# Delivered to date

- Started placemaking projects early 2017
- Working with private clients such as hotels, property owners, brands and NGOs

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စပေါမသက

# What we do – capacity building (under foundation)

## SHARE

- Raise awareness of sustainable urban development through media, social media and events

## TRAIN

- Capacity building of local government, developers, other relevant stakeholders

## EDUCATE

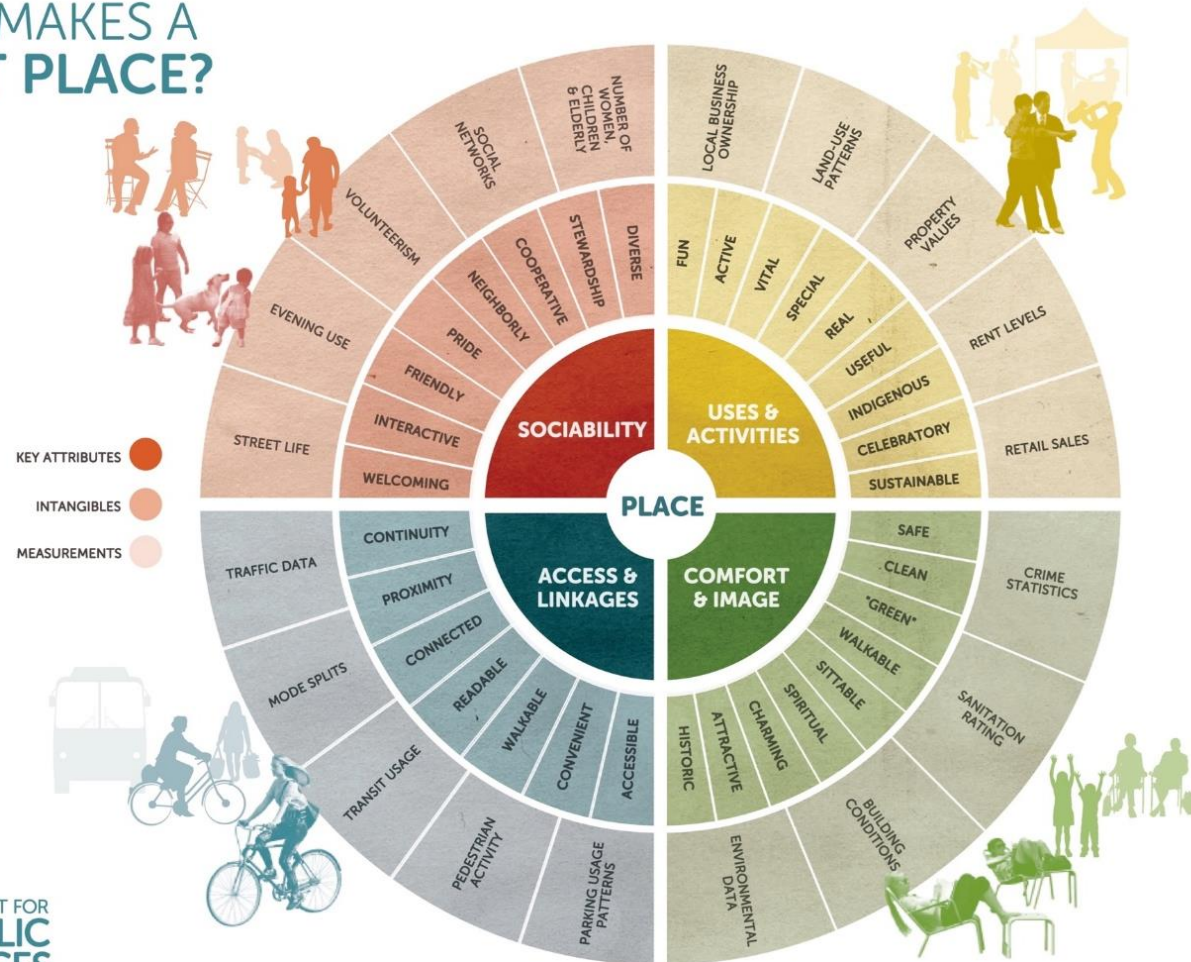
- Education around restoration and placemaking for students

Workshop programs

Young Placemaker Program

We the City Talkseries  
Social media  
campaigns

## WHAT MAKES A GREAT PLACE?



## What we are trying to contribute to

- Sense of **place & identity**
- Sense of **community**
- **Accessible and safe** places
- Places that contribute to **health**
- **Comfortable** places that promote wellbeing
- Ecological **sustainability**
- More vibrant **local economy**
- **Agency** and **skills** in community counterparts



# Better Cities

We believe restoration and placemaking leads to better

- Buildings
- Streets
- Squares
- Parks
- Playgrounds
- Markets

And stronger communities

# Our Restoration Work





# Intact historic core

Decades of military rule have left historic core **intact**.

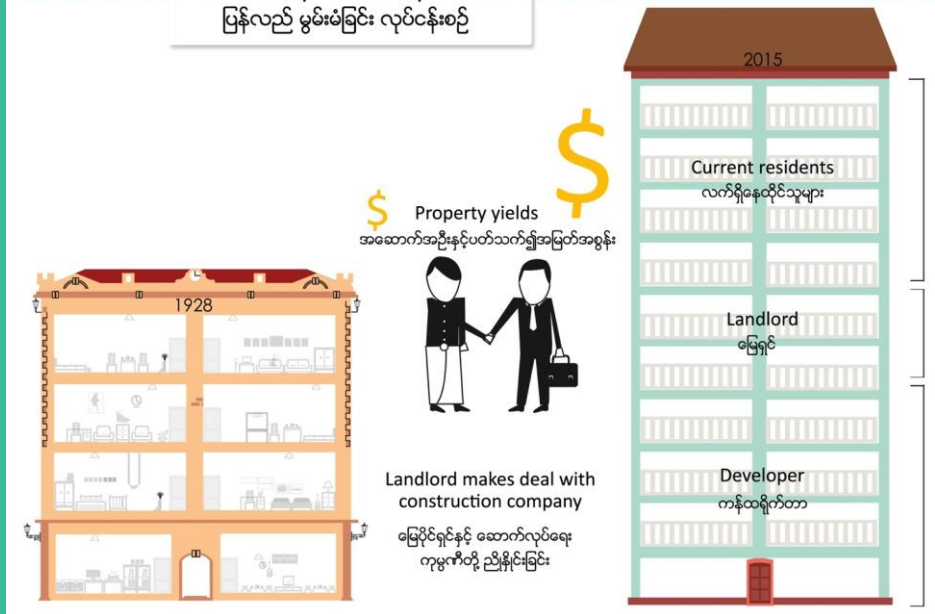
Yangon has over **6000** heritage buildings.



# Rapid demolition

Between 1990 and 2011  
**35%** of heritage buildings  
 in Yangon (=1800  
 buildings) destroyed

## Redevelopment Proposition ပြန်လည် မွမ်းမံခြင်း လုပ်ငန်းစဉ်



HORIZON ELECTRONICS CENTER SAMSUNG

CO-OPERATIVE

တောဝဋ္ဌလူ

# Doh Eain's restoration focus

1



Units in tenement  
Buildings/ shop houses  
est 20 million sqft

2



Mid-size entire buildings  
for commercial use  
est. 3 million sqft

3



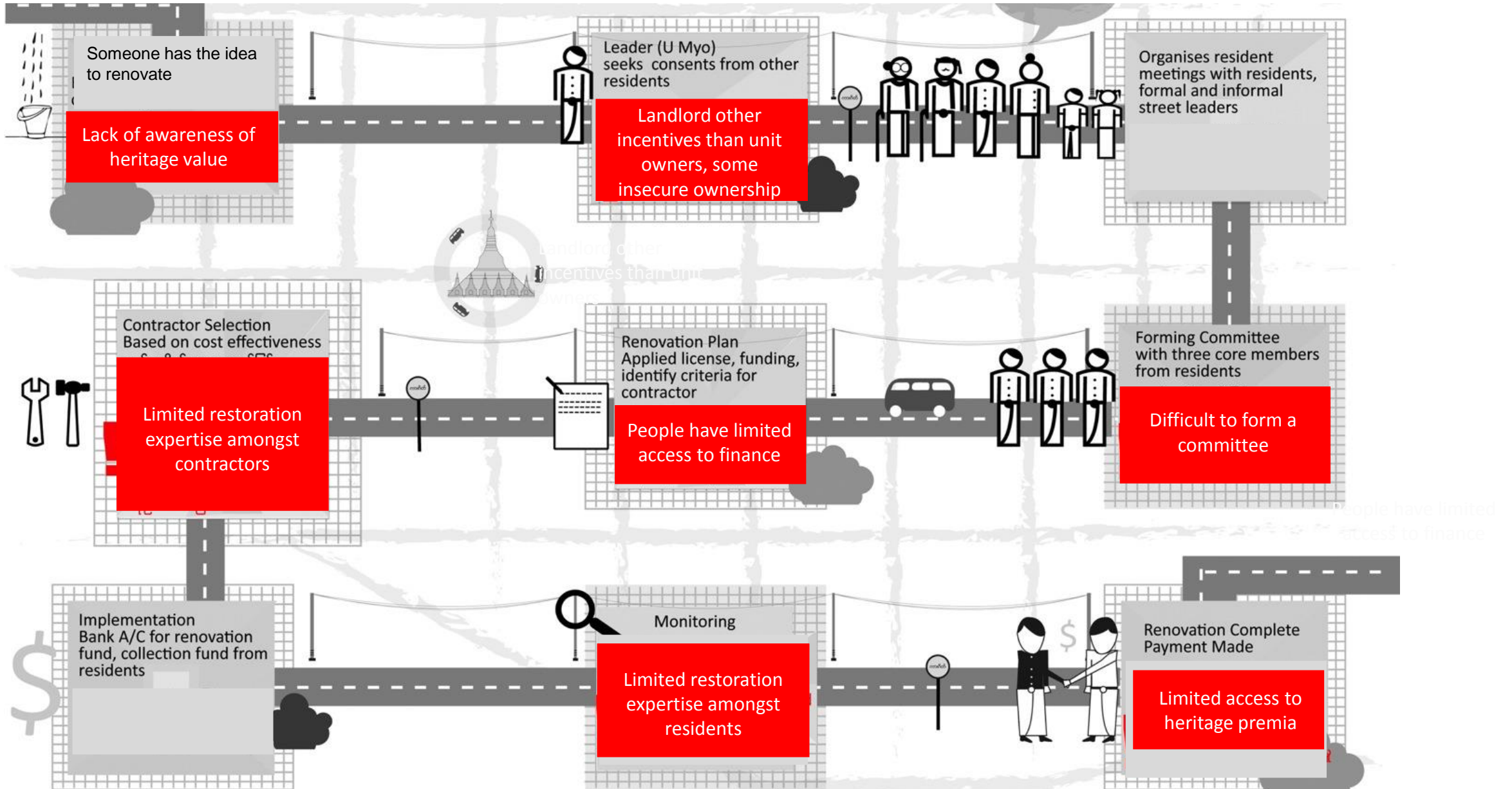
Institutional Properties  
est 5 million sqft

Private  
Ownership  
(70-80% of  
all heritage  
buildings)



Public  
Ownership

# Existing barriers to renovation of tenement buildings



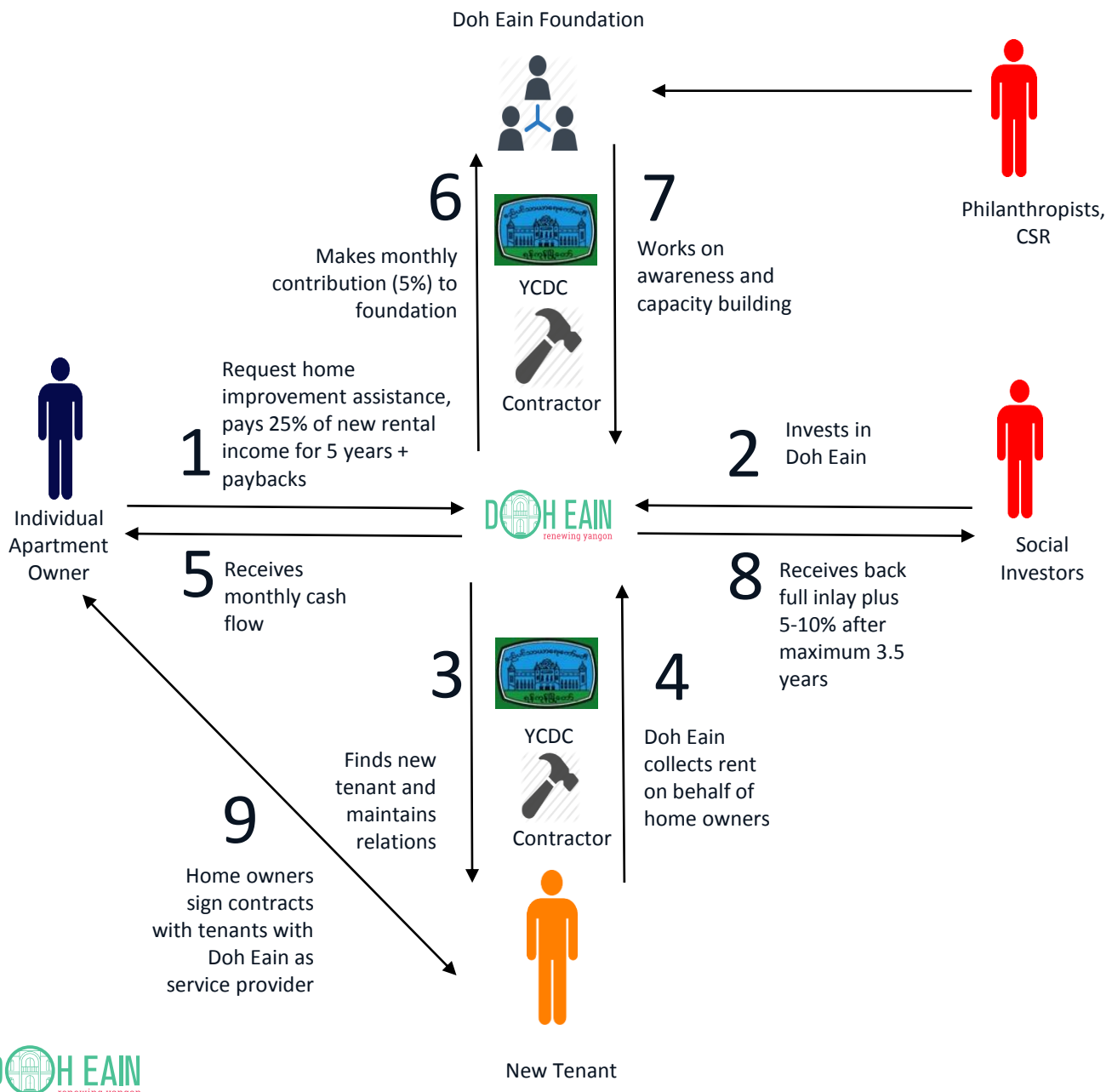


# Doh Eain's strategy for tenement buildings

Attractive alternative for property owners to neglect, selling or demolition

- Awareness raising and trustbuilding
- Restoration design
- Pre-financed renovations on a deferred payment scheme
- Design coordination, partial implementation by in-house team of experienced builders
- Property management
- Contribution to community

# Financial model tenement buildings



- Invested in renovation since early 2016: **475,000 USD** in 15 units (design, material + labour)
- Renovation size: **10,000-50,000 USD**
- Post renovation rental prices: **750 – 3000 USD**
- Average increase rent: **3,58x**
- **Unit IRR** of 15-25%
- Average payback time: **3 yrs**
- Paid back since early 2016: **60,000**
- **0** vacancies, **0** defaults



## Example (unit)

- Multi generation family apartment
- Owner had moved closer to work, used the apartment for **income generation**
- Would like to **move back in future**
- Invested **20,500 USD**
- Rent from 300 to 1500 per month



“I’d like to live here again in the future, and enjoy a comfortable, modern lifestyle”



# Example (building)

- 100+ year old family home
- With children overseas, place too large for parents & no money for maintenance
- Invested **155,000 USD**, creating 3 apartments
- Monthly rent: **6,000 USD**



“ It seemed a win-win solution for Doh Eain, us and the community. It would have been a shame to put up a new apartment building here.”





# Link to placemaking

- Street or block approach: encouraging residents of a street to look at their neighborhood more **broadly** (livability, attractiveness, prices)
- Link **to other regeneration efforts** (lights, waste management, ..)
- **Landmark streets:** Bogalay Zay, Bosoopat, Shwe Bon Thar, 19 Street, Sin Oo Dan,



# Our financing

- Fairly predictable expenses and income
- Long waiting list of homeowners and tenants
- Impact (angel) investors
- So far been able to raise loans at 5%, 3.5 years including 6 months grace (aided by low interest rates elsewhere)

What's we plan next



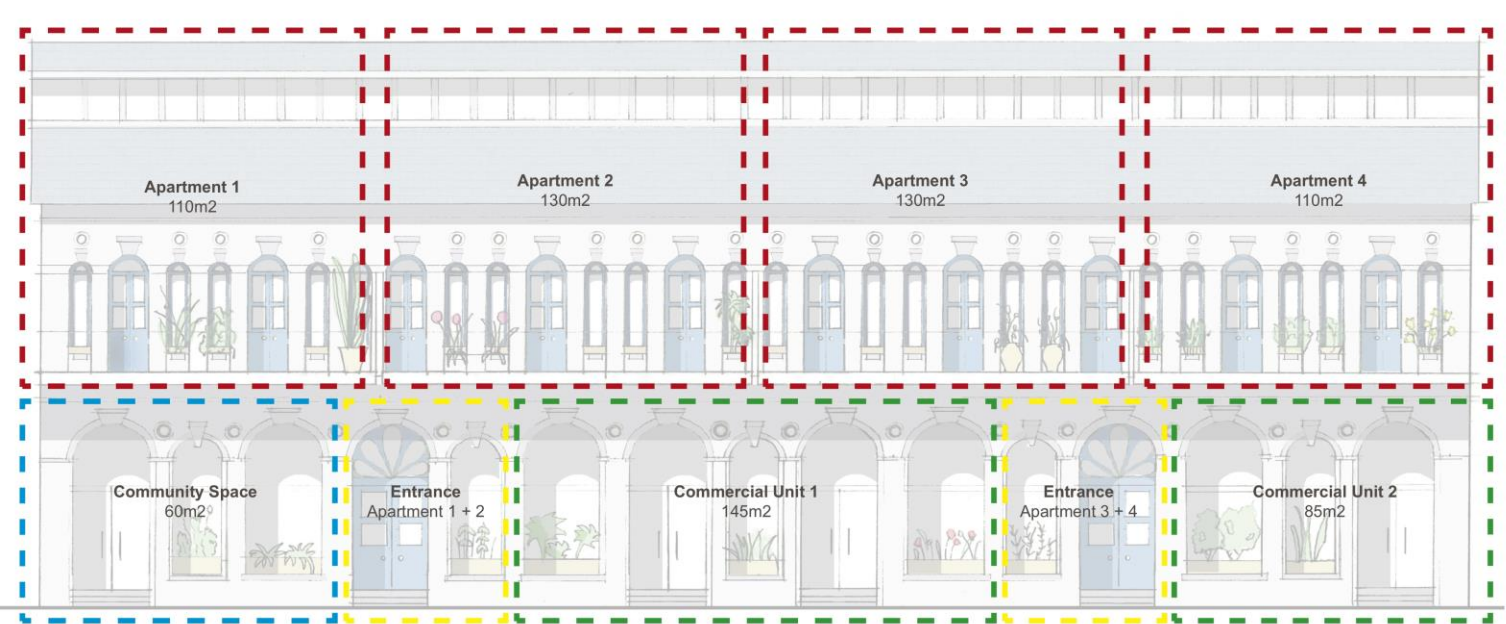
# SPVs for individual projects

- Link more of our homeowners with potential financiers on a project by project basis
- Separate entities on Myanmar level, or Myanmar and Singapore
- Doh Eain as **connector, investor and service provider** (designer, design coordinator, property manager)



# Example

- Goal: multi-use complex with apartments, offices and community space (about 1/10<sup>th</sup> of building)
- Estimated renovation costs: 400,000 USD
- Anticipated monthly rental income: 13,5000 USD
- Required minimum lease term 10 years
- Project IRR of 13-15%, metrics adjustable
- Rent/m2 for owner: 98 USD (after deductions)





# Example

- Goal: **residential** units
- Estimated renovation costs: **200,000 USD**
- Anticipated monthly rental income: **8,000 USD**
- Required minimum lease term **12 years**
- Project IRR of **14-16%** feasible
- Rent/m<sup>2</sup> for owner: **106 USD (after deductions)**



# More data and pipeline needed

- Market rates versus impact premia
- Yields for homeowner compared to demolition/sale of property
- Impact of our public space projects on prices of nearby properties
- Bigger pipeline of potential projects

# Challenges

- **Bandwidth** to undertake data collection and improve communications
- **Bandwidth** to undertake feasibility studies
- **Time needed** to undertake feasibility and raise funds
- **Insufficiently high returns** on more damaged buildings -> currently incentivised to only take on buildings in better condition





# Gap financing fund?

More blended finance helpful to scale up work

- **Philanthropic funds** for feasibility studies
- **Philanthropic matching funds** to make proposition more attractive to commercial investors
- .....



Thank you

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