Yangon is a unique city. It is the only city in South East Asia with its historic core largely intact. Out of the more than 6,000 properties that date back to before 1950, 70% are residential shop houses. These are authentic and character defining. It is these properties that for a very large part determine that Yangon still looks the way it looks.
Many of these shop houses are in need of repairs and living conditions are generally poor. For many of the owners and residents this is a reason to opt for demolition and replacement with modern high rises, a choice that has been all too easy in the absence of conservation laws and abundance of developers who offer to upfront the required investment.

In recent years awareness of the value and potential of these historic properties has started to emerge, with people beginning to get interested to renovate rather than demolish. But this is where things get complicated: domestic household cash flow is limited, banks will not lend as residential mortgage loans are non-existent and microfinance institutions only provide consumer loans. So although these people own assets, they cannot unlock their value.

This is where Doh Eain (“Our Home”) comes in. Doh Eain is a social enterprise founded in 2015 that pre-finances and helps owners to renovate their properties and rent them out at better prices. The extra income generated not only helps the owners and their families, but is also enables them to pay back the investment with a sufficient reserve to maintain the properties going forward.

Typically it takes about 2-5 years to pay back the renovation cost, after which the resident can decide to move back or continue to rent out the space. In this way there are only winners: investors get their money back, while owners see the value of their assets increase. But perhaps more importantly, local living conditions have improved while the city's unique historic streetscape is preserved.

**WHY IS THIS THE RIGHT TIME?**

The window of opportunity is now as local government and civil society are starting to embrace heritage-led urban regeneration as a key priority.

Economic isolation and the resulting lack of development have led to Yangon being the only city in Asia with its historic core largely intact. However, since 2011, Yangon is rapidly growing, leading to a population and construction boom destroying heritage and public space and negatively affecting the quality of urban life. Awareness of the role of heritage as a contributor to sustainable urban growth is still in its infancy. But in recent years there have been a number of successful examples of commercial adaptive re-use projects and now also the Yangon Government has taken the lead in renovation of some prominent heritage buildings, such as the Secretariat, the Tourism Burma Building and the Burma Oil Building. This is starting to change public perception.

In addition significant progress is being made in terms of heritage planning and legislation: a moratorium on new high rise permits in the downtown area has been introduced, as well as listing of significant buildings both public and private. A key agent in this process has been and continues to be the Yangon Heritage Trust who are largely responsible for establishing a demarcated Heritage Zone of Yangon’s downtown and in their Heritage Strategy have spelled out ways in which to improve the city’s historic core as an asset for economically viable, inclusive and sustainable city development.

In a unique configuration, Doh Eain works closely with the local authorities and the Yangon Heritage Trust (YHT) - both parties sit on the board - to assist in the space where they cannot, to create an opportunity for local residents to make heritage regeneration happen in their home, in their street.
**WHAT DO WE NEED?**

With proof of concept in place, Doh Eain now has a waiting list of owners keen to join the scheme, and is actively looking for capital injections to meet demand

Doh Eain started in 2015 with a personal US$10,000 loan to a family on Bogalay Zay Street, to renovate and lease out their unit. This quadrupled the family income and they paid back the loan in 1.5 years. Soon after neighbours and friends followed and in a very short time this has led to the renovation of eight properties. A total of US$150,000 has been invested so far - largely personal funds and private loans - of which around US$50,000 has been earned back and re-invested within this period.

There is appetite for more. Without active marketing, Doh Eain currently has a waiting list of 15 properties, and this is expected to grow very quickly as local media and heritage building owners are showing increasing interest.

With a solid board of advisors and official registrations in the Netherlands and Myanmar (and Singapore soon too) in place Doh Eain is ready to scale up. We are now talking to family offices, angel investors, foundations, impact funds, and development finance institutions about a mix of capital injections: loan, equity and grants to scale up to at least 100 renovation projects in the next 3 years (2018-2020), which in addition to positively impacting families and the streetscapes will help Doh Eain achieve financial sustainability, laying a solid base for future activities.

**Specific short-term opportunity for private investors: 60,000 USD**

In the next 2 months, Doh Eain is looking for small private investors for a specific opportunity to upgrade one whole block in a very strategic part of town: 41 street lower block.

The block consists of 6 units, two of which are already undergoing renovation and 1 of which is empty. Three and potentially all four remaining units have also expressed interest in joining the scheme. This would be the first time that a bottom up unit-by-unit approach would have led to the restoration of an entire building. To make this happen, Doh Eain needs to urgently raise US$60,000.
HOW WOULD IT WORK?

15% return on investment after 3 years.

• **Doh Eain manages renovation and tenancy** - Doh Eain will undertake these 4 renovations with an average renovation cost per remaining unit of US$12,000-US$15,000

• **Owners pay back the loan and service fee** - Following occupancy, home owners pay Doh Eain a service fee of 20% of the projected rental income for a minimum of 5 years, while also paying monthly instalments for the total renovation costs (labour + material)

• **Financial return for investor** - Investors will receive 5% interest per annum, with the entire loan being paid back after 3 years. At that moment the loan plus accrued interest is paid back to the investor or he/she can opt to reinvest into another Doh Eain project.

• **Convenience** – Packages start at US$6,000 with a goal to mobilise US$60,000 to renovate the whole building. For ease for the investors, investments can be made into Doh Eain Holding Company in Singapore.

HOW CAN I TRUST YOU TO DELIVER?

To reduce risk, Doh Eain oversees complete process and minimises legal complications

Doh Eain manages the entire process: family engagement, design work, contractor selection, project management, tenant selection and property management thereby reducing risk. The current default rate on our properties is 0%. As there is no change of ownership, there is no need for transfer of title, minimising legal complications.

**Due diligence**

1. **Property assessment** – Families approach us or are referred to us. We focus on families we already have relations or connections with through other projects as trust relations remain key. We assess ownership documents with our lawyers.

2. **Renovation** – we have an in-house team of architects and engineers experienced with restoration work, as well as our own team of 24 craftsmen, plumbers, electricians, etc. This enables us to maintain close control and work in the most cost-effective way. For work beyond our capacity we work with a range of selected, notable sub-contractors.
3. **Tenancy** - When renovation is done, Doh Eain finds a tenant through its network (Doh Eain currently has a waiting list of people – generally foreigners - interested to live or work in heritage properties) for the upgraded space. Homeowner and the tenant sign a lease agreement with each other and service agreements with Doh Eain. Doh Eain collects the rent on behalf of the homeowner, while Doh Eain also ensures proper maintenance of the space throughout the contract period.

4. **End of contract** – Doh Eain generally shares in the revenue for 5 years, in the first 2 to 4 years of which the loan is paid back. After 5 years home owners are free to choose whether they want to move (back) in or continue to lease out the space.

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**NOT JUST IMPROVING RESIDENTIAL UNITS BUT BUILDINGS, BLOCKS AND STREETS**

**Through strategic asset allocation, place making initiatives and alley upgrading projects, the impact is spread over entire blocks**

Doh Eain goes beyond buildings. Working hand in hand with local residents we also take a very proactive approach to upgrading of common and public spaces. An example is our alleyway project: turning downtown trash alleys into alley gardens featuring plants, playgrounds, exercise space, art and other elements wanted by the neighbourhood, and pedestrian areas. We have so far created 3 alleygardens (covering entire blocks) and are currently implementing another 5, improving the lives of entire streets while these alleyways have also become a local and tourist attraction.

5% of the income from each rental agreement goes to the Doh Eain Foundation, which undertakes the non-revenue generating upgrading projects such as common spaces, roofs, staircases and alleyways.
AN EXAMPLE OF OUR WORK: HERITAGE HOME RENOVATION ON 42ND STREET

This family lacked the means to look after their century old family property. They moved out and started discussing demolition with the neighbours. After restoration the family improved their income and no longer intends to demolish it. The neighbours have become interested in restoration too.

<table>
<thead>
<tr>
<th>Renovation duration</th>
<th>4 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of renovation</td>
<td>24,000 USD (loan)</td>
</tr>
<tr>
<td>Original rental price</td>
<td>300 USD</td>
</tr>
<tr>
<td>New rental price</td>
<td>2,250 USD</td>
</tr>
<tr>
<td>Revenue sharing</td>
<td>5 years</td>
</tr>
</tbody>
</table>
| Income home owner   | 687.50 USD per month for month 1-24  
                        1,687.50 USD month 24-60. Total 77,250 USD |
| Income Doh Eain     | 450 USD per month - Total 27,000 USD |
| Income Doh Eain Foundation | 112,50 USD per month. Total 6,750 USD |
| Income Investor     | 27,600 after 3 years (3,600 USD profit) |

IN SHORT

Doh Eain - helping Yangon residents to renovate their historic homes

A decent financial return combined with making a direct positive impact on a family, on a portion of Yangon’s beautiful historic cityscape, and on the city’s mentality, raising ambitions around beautification and liveability to new levels. Loan packages start at US$6,000, while donations to the Doh Eain Foundation are also welcome. A more detailed prospectus is available on request at contact@doheain.com

www.doheain.com
www.facebook.com/DohEainYGN
No 79, 27th Street
Yangon, Myanmar
MEET OUR TEAM!

**Emilie Röell** (Founder & Director) is an anthropologist interested in social businesses that make use of and preserve cultural and natural capital while also creating community impact. Previously, Emilie worked on good governance programs with the Dutch Government, the EU and UNDP including in Myanmar, providing valuable insight in the workings of local government.

**Mark Horton** (Restoration Project Manager) has worked in urban, rural, and post-disaster settings, including leading on the rebuild of schools and residences in post-earthquake Nepal. Mark has a wide range of experience in architecture, design and project management, and has used his varied skillset to study and support several heritage buildings in Yangon.

**Albert Company Olmo** (Restoration Construction Manager) has been involved in providing architectural solutions to marginalised and migrant communities living along the Thailand-Myanmar border since 2009. His approach combines innovative and sustainable elements with traditional design principles.

**Jordan Aungye Paing** (Design and Construction Officer) deals with urban and private space design, architectural renovation, and links heritage conservation work with the tourism industry. He has made high-level commitments to his architecture education, is a member of the Association of Myanmar Architects, and involved in a variety of urban and heritage conservation research activities.

**Kyaw** (Project and Communication Officer) is an engineering graduate with post-graduate certificates in international studies. Kyaw is responsible for managing our Foundation's projects and communications/marketing. Before joining Doh Eain, Kyaw was Project Assistant at a Korean consulting firm which coordinated an industrial project for UNIDO.

**Jan Willem van Rooij** (graphic design) is a graphic designer, international development graduate and co-founder of &Proud Yangon LGBT Film Festival. Having worked as a development consultant in Myanmar and with a background in graphic design, Jan Willem is an expert in social marketing and he designs the communication strategy for Doh Eain.

**Gulam** is a former sea man and “jack of all trades”. Gulam’s apartment was the first renovation project under Doh Eain, and he has been involved in all other projects since. Gulam helps oversee construction works, maintenance and supports our tenants.