

MARKETBEAT CONDOMINIUM SNAPSHOT

BANGKOK, THAILAND

MARKET OVERVIEW

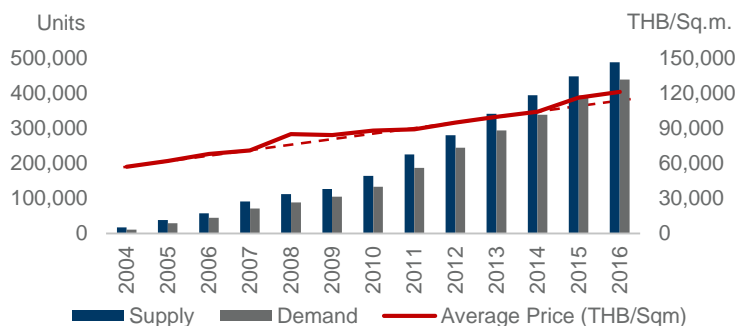
BANGKOK CONDOMINIUM MARKET

Economics

	Q2 16	Q3 16	12-Month Forecast
GDP Growth	3.5%	3.2%	■
CPI Growth	0.3%	0.3%	■
Unemployment	1.1%	0.9%	■

Source: NESDB, Bank of Thailand

Accumulated Condominium Supply in Bangkok



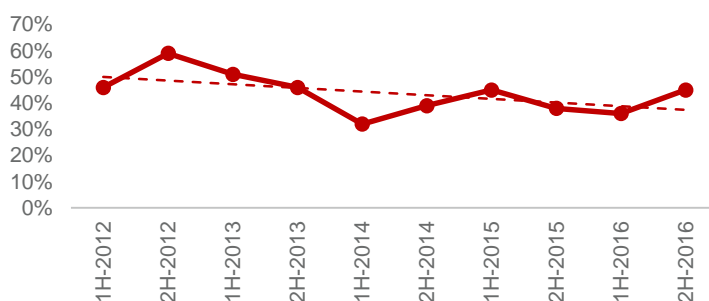
Source: Nexus
*Average price does not include suburban area

Bangkok Condominium Price As of December 2016

Location	Price	% Growth	Short Term
	THB/ Sq.m.	YoY	Trend
City Area	195,300	19%	↑
City Fringe and Outer City Area	95,100	9%	↑
Suburban Area	74,300	14%	↑
Overall Bangkok	121,000	14%	↑

Source: Nexus

Bangkok Condominium Sale Rate



Economy

According to the National Economic and Social Development Board (NESDB), GDP in the third quarter of 2016 grew by 3.2 percent, continuing from 3.5 percent in the previous quarter. This economic growth was from the expansion of household consumption, public investment, and the export of goods and services. On the production side, hotel and restaurant sector accelerated while transportation, construction, wholesale and retail trade, and manufacturing sectors continued to grow. Also, the agricultural sector expanded for the first time in past eight quarters. On the other hand, the government spending declined after expedited disbursement in earlier period.

In 2017, Thai economy is expected to continually improve, owing to the recovery of the export sector, the stronger expansion of agricultural production, the growth contribution from public investment expansion, and the growth in tourism sector. However, the risks from the volatility in global economy and financial system should be closely monitored.

Supply

Although the overall market situation is quite stable and developers decided to delay launching some new projects in the fourth quarter, a number of new supply launched in 2H-2016 totaled 27,686 units from 62 projects. As a result, there were 487,335 accumulated condo units in the Bangkok condominium market, increasing 6% from 1H-2016. In addition, 63,015 units, 13% of accumulated units, were available units for sale in 2H-2016. Top three locations where the largest number of new condo supply launched include 1. Phra Khanong-Suan Luang-Bearing (8,909 units) 2. Phayathai-Din Daeng (5,840 units) and 3. Thonburi-Ratchapruk-Ratburana (3,710 units). These number account for 67% of the total newly launched units.

Demand

In 2H-2016, the total condominium units sold was 28,325 units, representing 45% of available units for sale. This sold rate increased from 36% in 1H-2016. While the newly launched units were mostly located in Phra Khanong-Suan Luang-Bearing area, the total sold units in this area was 6,363 units, 52% of available units for sale. Phayathai-Din Daeng was another popular area especially for people who work in Ratchaphisek and Rama 9 area. The total sold units in this area was 5,845 units, or 54% of available units for sale.

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Price

In 2016, average selling price of Bangkok condo continues rising with an increase of 14% from 106,000 baht per sq.m. to 121,000 baht per sq.m. In particular, price of condo in the central area rises by 15-16%. Condo price at every new project launched in the central area of Bangkok is higher than 150,000 baht per sq.m. Key factor remains from land costs which soar in every location and other development costs continue rising. In addition, price of newly launched projects in the city fringe area which extends from the central area significantly rises in price. Locations where price significantly increases include Din Daeng, Phahon Yothin, Phra Khanong and Prachachuen. For projects in outer area, price moderately increase at around 8%.

Outlook

In 2017, supply is expected to increase by 10% and majority of this supply is likely to be located in the city fringe and outer area of Bangkok. For developers, since some projects are delayed to be launched in 2017, activities and new launched will actively be seen in the beginning of 2017. Demand will grow at the same rate of supply but higher growth will be witnessed in outer area of Bangkok. However, development costs which is reflecting condominium price will be the factor for this market growth. Last but not least, several infrastructure projects have more progress which will contribute to condominium market growth in 2017.

New Projects

- Rhythm Ekkamai, Life Sukhumvit 48, and Aspire Sathorn-Taksin (Copper Zone) have been launched by AP (Thailand) Plc. Currently, the sold rate of these projects is higher than 80%. Rhythm Ekkamai is located on Ekkamai Road with 32 storeys and 326 units. Life Sukhumvit 48 is located on Sukhumvit 48 Road with 2 buildings (19 & 31 storeys) and 612 units. Aspire Sathorn-Taksin (Copper Zone) is located on Rachapruk Road with 21 storeys and 613 units.
- Supalai Veranda Rama 9 and Supalai City Resort Rama 8 by Supalai Pcl are fairly popular with the sold rate higher than 90%. Supalai Veranda Rama 9 is located on Rama 9 Road with 31 storeys and 1,410 units. Supalai City Resort is located on Arunamarin Road with 2 buildings (8 & 13 storeys) and 446 units.
- The Line Asoke-Ratchada by Sansiri Plc has been sold out. The project is located on Din Daeng Road with 38 storeys and 473 units.

- 28 Chidlom has been launched by SC Asset Pcl. It is a freehold luxury project on Chidlom Road. The project has 2 buildings with 20 and 50 storeys, totaled 436 units.
- Khun By Yoo by Sansiri Pcl is located on Thonglor Road with 27 storeys and 148 units. It is a luxury project inspired by Phillippe Stark, who is a famous French designer.

Future Projects

- AP Pcl. will soon release two projects including Vittorio (two-minute walk from Phrom Phong BTS Station) and Life One Wireless (Wireless Road). Vittorio will be an ultra-luxury 28-storey condominium project with 88 units.
- Supalai Pcl. will launch Supalai Oriental Sukhumvit 39. With two buildings (25&35 storeys) and 1,046 units, the project will be located on Sukhumvit 39 Road.
- SC Asset Pcl. will launch Chamber Cher Ratchada-Ramindra.

Remark

City area: these areas cover three parts

- Sathorn – Bangrak
- Pathumwan – Ratchathewi
- Wattana – Khlongtoey

City fringe area: these areas cover three parts

- Phayathai – Ratchadapisek
- Yannawa – Bangklolam – Klongsan
- Ladprao - Wangthonglang

Outer city area: these areas cover the BTS route starting from Prakanong station to Bearing station and the BTS route starting from Krung Thonburi station to the Bangkok boundary to the west around Putthamonthon sai2 Road.

- Prakanong – Suan Luang – Bearing
- Thonburi – Ratchapruk – Petchkasem

Suburban area: these areas cover two parts

- Tiwanon – Rattanathibej
- Chaengwattana – Pakkred