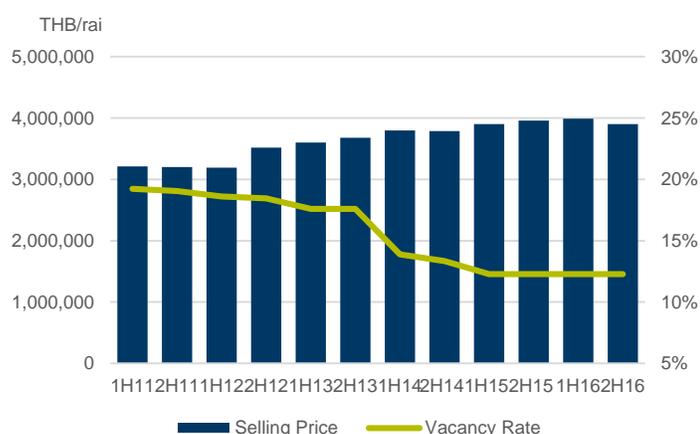


MARKET OVERVIEW

BANGKOK INDUSTRIAL MARKET

Serviced Land Plot Market



Factory Market

FACTORY	Total Size	Occupancy	Remaining
Northern	686,226	378,506	307,720
Eastern	675,743	561,121	114,622
Eastern Seaboard	852,515	586,134	266,381

Warehouse Market

WAREHOUSE	Total Size	Occupancy	Remaining
Northern	672,506	620,920	51,586
Eastern	1,918,016	1,818,635	99,381
Eastern Seaboard	956,521	613,929	342,592

*Remark: Northern Zone is Ayutthaya, Pathum Thani and Saraburi.
Eastern Zone is Samutprakarn, Chonburi, and Chachoengsao.
Eastern Seaboard Zone is Lamchabung and Rayong.

For more information, contact:
Teerawit Limthongsakul, Executive Director
662 286 8899
teerawit@nexus.co.th

Nexus Property Consultants Co., Ltd.
31st Fl., BKI Building/ Y.W.C.A. 25 South Sathorn Road,
Thungmahamek, Sathorn, BKK 10120, Thailand
www.nexus.co.th

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.

Market Overview

The market of Serviced Industrial Land Plots (SILP) remained stable. According to Industrial Estate Authority of Thailand (IEAT), there was no new supply in the second half of 2016. The average SILP selling price is down to THB 3.90 million per rai

Regarding the Ready Built Factory (RBF) market, the total supply stood at approximately 2.21 million square meter (sqm). Of which, supply in Eastern Seaboard Zone was the highest figure. The rental rate was stable in all zones at THB 192 per square meter per month (sqm/mo) with the average occupancy rate of 68.9%.

In the second half of 2016, the total supply of Ready Built Warehouse (RBW) was 3.54 million sqm approximately. The average rental rate and the occupancy rate increased slightly from the first half of 2016. The average rental rate was THB 158.6 sqm/mo. while the average occupancy rate was 86%.

Outlook

The industrial market in the second half of 2016 was as stable as expected due to the economic recovery. However, the industrial market in the first half of 2017 should be more competitive since BOI changes the Investment Promotion Law of 1977, which codifies investment incentives. The government continues to welcome investment from all countries. As for the Special Economic Zone (SEZ) is nearly effective, it will bring more investment to the industrial market in Thailand. With ASEAN Economic Community (AEC) is boosting up, and now the cross border trade between Cambodia, Laos, Myanmar, and Vietnam is increasing value of exports which shows that ASEAN will certainly bring more investment, and opportunities for industrial market in Thailand once it's fully operated.