

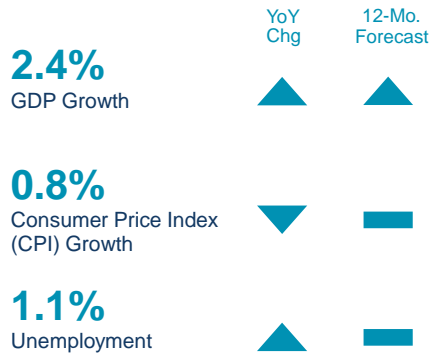
BANGKOK RESIDENTIAL

Residential Q4 2019



Source: Nexus

THAI ECONOMIC INDICATORS Q3 2019



Source: NESDC (National Economic and Social Development Board)

ECONOMY OR ECONOMIC OVERVIEW:

According to the Nation Economic and Social Development Board (NESDB), the Thai economy in the third quarter of 2019 expanded by 2.4% (YoY), continuing from 2.3% in the previous quarter. After seasonally adjust, the economy grew by 0.1% from the second quarter (%QoQ sa). In the first 9 month of 2019, It is expanded by 2.5%. The Thai economy in 2019 is estimated to grow by 2.6%. Inflation will lie in the range of 0.5-1.5% and the current account will record a surplus of 5.6% of GDP.

SUPPLY OR DEMAND: New Supply Sharply dropped

The new supply in the second half of 2019 decreased with a large drop 44% from the same period last year (YoY). Many developers postponed the new project to launch next year.

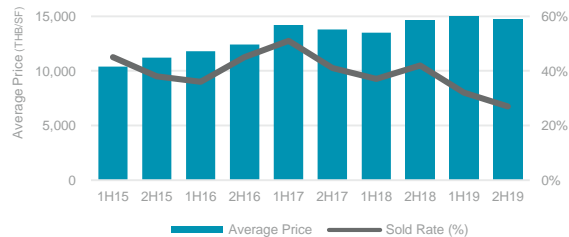
In the second half of this year, the selling rate was approximately 27% with 65,000 unsold unit are still available in the market. Condominiums market saw large decrease with a drop of 30% from the same period last year (YoY). Owing to the loan-to-value limits and high household debt are significant to get the loan for domestic demand. Moreover, the world economy slowdown and baht strong also lead to decreasing foreign buyer.

PRICING: Steady Selling Price

The condominium selling price still remained steady. It saw an increase of only 0.6% (YoY) from THB14,600 per square foot (sf) to THB14,700 per square foot on average. The developers focused on boosting sales of ready-to-transfer units to drain the inventory.

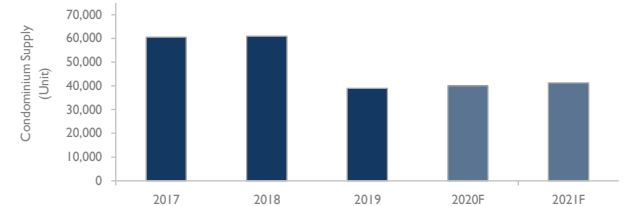
In the forth quarter of 2019, the cabinet approved real estate stimulus measures. The property tax incentives are a cut of transfer fee to 0.01% from 2% and mortgage fee to 0.01% from 1%. The recent incentives are effective from Nov 2, 2019 to Dec 24, 2020. Besides, the government offered a THB50,000 subsidy on a home purchase down payment to stimulate domestic demand.

CONDOMINIUM AVERAGE PRICE & SOLD RATE



Source: Nexus

CONDOMINIUM SUPPLY PIPELINE



Source: Nexus

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MARKET STATISTICS

SUBMARKET	SUPPLY (UNITS)	DEMAND (UNITS)	PRICE (THB/SF)	SOLD RATE (%)
Sathorn-Bangrak	3,295	1,489	20,100	45%
Pathumwan-Ratchathewi	4,435	921	23,100	21%
Wattana-Klongtoey	8,712	2,126	21,300	24%
INNER AREA	16,442	4,536	21,500	28%
Prakanong-Suan Luang-Bearing	17,563	4,348	9,100	25%
Phayathai-Ratchadapisek	14,719	3,556	10,900	24%
Yannawa-Bangklolam-Klongsan	2,162	464	17,400	21%
Ladprao-Wangthonglang	6,893	2,560	7,500	37%
Thonburi-Ratchapruk-Petchkasem	18,016	5,008	8,300	28%
OUTER AREA	59,353	15,963	9,400	27%

KEY NEW SUPPLY Q4 2019

PROPERTY	SUBMARKET	DEVELOPER	UNITS	PRICE/SF
Park Origin Chula-Samyan	Sathorn-Bangrak	Origin	499	THB17,700
Ideo Chula-Samyan	Sathorn-Bangrak	Ananda	773	THB12,100
The Residences at Sindhorn Kempinski*	Pathumwan-Ratchathewi	Siam Sindhorn	231	THB21,400
The Loft Ratchathewi	Pathumwan-Ratchathewi	Rimonland	273	THB19,500
The Base Phetchaburi-Thonglor	Wattana-Klongtoey	Sansiri	253	THB9,300
Cloud Thonglor-Phetchaburi	Wattana-Klongtoey	Risland	500	THB13,000
Supalai City Resort Sukhumvit 107	Prakanong-Suan Luang-Bearing	Supalai	539	THB6,000
The Origin Ratchada-Ladprao	Phayathai-Ratchadapisek	Origin	208	THB10,200
Life Sathorn-Sierra	Thonburi-Ratchapruk-Petchkasem	AP	1,971	THB9,300
Ideo Charan70-Riverview	Thonburi-Ratchapruk-Petchkasem	Ananda	1,421	THB6,500

Remark: * Leasehold condominium

MARKET DRIVERS

- Demand in new locations due to the extension of mass transit system, making the commuting more convenient and expanding new areas for development.
- Domestic property investment market, the overall market would not be much expanded because the investment would be slowdown by LTV measures.
- Purchasing power from foreigners will not increase, if the baht keeps strong.
- Surging land price, land price is constant and investors become more cautious to buy land.

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