

THAILAND INDUSTRIAL

Industrial Q4 2020

THB 6.1 Mil
Avg Price of SILP per Rai

YoY Chg 12-Mo. Forecast



-1.1%
RBF Rent Growth Y-o-Y



-0.2%
RBW Rent Growth Y-o-Y



Source: Nexus Real Estate Advisory

THAILAND ECONOMIC INDICATORS Q3 2020

-6.4%
GDP Growth

YoY Chg 12-Mo. Forecast



-0.7%
Consumer Price Index (CPI) Growth



1.9%
unemployment



Source: NESDC (National Economic and Social Development Council)

Economy Contracted 6.7% in First Nine Months

National Economic and Social Development Council (NESDC) data shows that Thailand's economy declined by 6.4% in Q3 2020, improving from a 12.1% contraction in the previous quarter. After seasonal adjustment, the economy increased by 6.5% from the second quarter (% q-o-q sa). In the first nine months of 2020, the overall economic contraction was 6.7%. The forecast for the full-year 2020 is now a contraction of 6%.

Market Growth Slowed by COVID-19 Impact

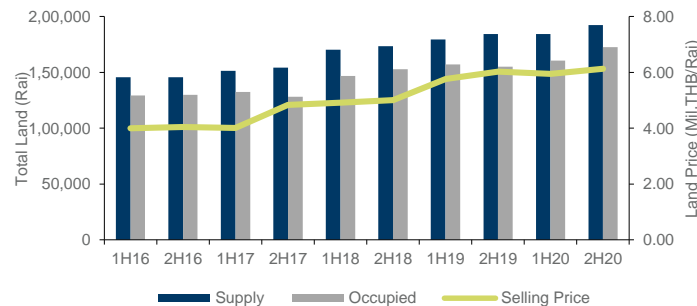
Thailand's industrial market continued to slow in the second half of 2020, with investment decisions and rental expectations impacted by the COVID-19 situation. The average price of Service Land Plots (SILP) grew 1.7% y-o-y. The current inventory of SILPs increased to record almost 200,000 Rai with a sold rate at about 90%. The average land price recorded approximately THB6.1 million per Rai, up 1.7% y-o-y.

Average rental rates for Ready Built Factories (RBF) and Ready Built Warehouses (RBW) fell by 1.1% y-o-y and 0.2% y-o-y respectively. Total stock of RBF units remained unchanged at 2.53 million sq m with occupancy around 80%. RBW spaces also enjoyed occupancy of approximately 90% of the total stock of 3.89 million sqm.

Longer-Term Market Confidence Maintained

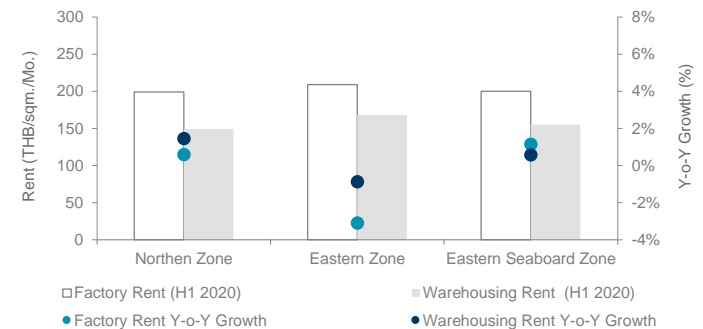
Despite the drag on the market from the economic headwinds, changing lifestyle habits, e-commerce, food and logistics businesses have grown rapidly and have positively impacted the market this year. Additional factors supporting the market include the stability of Thailand's macroeconomic policy, evident in ongoing infrastructure projects, especially in the EEC area, and many investment promotion programs from the BOI. Consequently, big developers still see opportunities ahead and have set their business goals towards expansion in the coming three-four years. Approximately 10% of the existing industrial park supply, or 20,000 Rai, will be allocated to support the opening of a high-speed train in 2024.

SERVICED INDUSTRIAL LAND PLOT MARKET



Source: Nexus Real Estate Advisory

READY-BUILT INDUSTRIAL MARKET



Source: Nexus Real Estate Advisory



Industrial Q4 2020

MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	DIRECT VACANT (SQM)	OVERALL VACANCY RATE	YTD OVERALL NET ABSORPTION (SQM)	OVERALL AVG ASKING RENT (THB/SQM)	OVERALL AVG ASKING RENT (USD/SF)*
READY BUILT FACTORY						
Northern	749,936	256,785	34.24%	37,760	199	\$0.62
Eastern	849,843	117,145	13.78%	(-18,585)	209	\$0.65
Eastern Seaboard	934,365	138,526	14.83%	52,691	200	\$0.62
READY-BUILT FACTORY TOTALS	2,534,144	512,456	20.22%	71,866	203	\$0.63
READY BUILT WAREHOUSE						
Northern	701,688	39,804	5.67%	22,581	149	\$0.46
Eastern	2,146,760	200,176	9.32%	(-33,945)	168	\$0.52
Eastern Seaboard	1,045,184	153,535	14.69%	(-67,275)	155	\$0.48
READY-BUILT WAREHOUSE TOTALS	3,893,632	277,692	10.11%	(-78,639)	158	\$0.49

*Rental rates reflect full service asking

Remark:
Northern Zone - Ayutthaya, Pathum Thani and Saraburi, Eastern Zone - Samutprakarn, Chonburi and Chachoengsao, Eastern Seaboard Zone - Lamchabang and Rayong

US\$/THB = 30.0333

SERVICED INDUSTRIAL LAND PLOT PROJECTS UNDER DEVELOPMENT

PROPERTY	SUBMARKET	OWNER/DEVELOPER	AREA (RAI)	COMPLETION DATE
Pinthong 6 Industrial Estate	Eastern Seaboard	Pinthong & IEAT	1,322	Q2 2021
WHA R36	Eastern Seaboard	WHA & IEAT	1,200	2021
CPGC Industrial Estate	Eastern Seaboard	CG Corporation	3,068	2021
Smart Park Industrial Estate	Eastern Seaboard	IEAT	1,466	2021
EGCO Industrial Estate Rayong	Eastern Seaboard	IEAT & EGCO	621	2022
Rojana Industrial Estate, Nong Yai	Eastern Seaboard	IEAT & Rojana	1,987	2023
Map Ta Phut Industrial Port (Phase 3)	Eastern Seaboard	IEAT	1,000	2024
WHA Industrial Estate Rayong	Eastern Seaboard	WHA & IRPC	2,152	N/A
Digital Park Thailand	Eastern Seaboard	IEAT & CAT	622	N/A

Unit Conversion: 1 Acre = 2.53 Rai

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