

# Time to condo

After a slow start to the year the Thai market in luxury condominiums is bouncing back, with attractive incentives on offer for international buyers, as Ruth Sullivan explains

Condominiums have long held an appeal for international buyers and investors looking for security and well-managed luxury properties with swimming pools, gyms or rooftop gardens – and Bangkok is no exception. The high end of the condo market is mostly stable and attracting foreign and domestic interest, although the growth rate in the luxury sector dipped slightly in the second quarter this year. But mid to lower sections are recovering more slowly after buyers ran into difficulty last year when

loan requests from banks were rejected due to rising household debt. As demand decreased developers were left with an oversupply and sold off units at reduced rates. Some price reductions continue this year. “Remaining units, in ready to move-in projects, from the developers are gradually performing well at reduced prices due to less new supply on the market,” says Ms Phakrjira Jansakran, Sales Director of List Sotheby’s International Realty, Thailand. [sothebysrealty.com/eng/sales/bk-tha/broker-listings-dstype](https://sothebysrealty.com/eng/sales/bk-tha/broker-listings-dstype)

Developers are currently focusing on high-end luxury developments and affluent buyers. In the first three months of the year, prime areas such as the Central Business District – were selling at 242,000 baht per square metre, showing a 2% decrease from the previous quarter, while those around the city were selling at 124,800 baht per square metre,

**Below: Construction of One Bangkok Project – a US\$3.9 billion mixed-use development by Frasers Property that commenced opening in March 2024 with condominiums available**

a 3.57% increase in the same period, according to Knight Frank Thailand research. Overall, the selling price across all areas in the city nudged up by 0.5%, due to the rise in land prices and construction costs. Current buyers are a mix of domestic and foreign purchasers, both for own use and investment. The largest buying group are locals, particularly investors looking for rental income in areas with high rental yields or locations popular among expatriates, says Ms Kunvara Boonsuk, senior analyst at Savills, Thailand. Young professionals and first-time buyers searching for affordable urban living spaces are also eyeing condos close to good transport links. [savills.co.th](https://savills.co.th)

Foreign buyers tend to focus on properties in prime locations such as Sukhumvit, Thonglor and Sathorn. “Despite various challenges, including stricter regulations and economic conditions, foreign buyers, ►







building's usable space to 75% too," says Sunchai Kooakachai, senior director and head of research and advisory at Knight Frank, Thailand. [knightfrank.co.th](http://knightfrank.co.th)

Top of the list of buyers' requirements in the luxury segment is proximity to transport – the BTS Sky train and the Mass Rapid Transit stations in central areas such as Sukhumvit and Thonglor, and investor potential. Smart home features, wellness centres, green spaces and flexible living spaces that can double up as home offices, are in demand too. Luxury developments are being launched in Rama IV and Sukhumvit later this year and next, while new mid-range projects focusing on young professionals and investors are emerging in the lively area of On Nut. Thailand went through a leadership change in August, a factor that may unsettle some prospective foreign buyers. "The change in government has led to some uncertainty in the short term but the overall impact on the condo market has been limited. The main challenges are high household debt and the economic situation," says Knight Frank's Mr Kooakachai. He is cautiously optimistic on the Bangkok condo market for the rest of the year and 2025.



**Above: 463m<sup>2</sup> condo 3 bed 3 bath on floor 32 of SCOPE Langsuan in Lumpini sold off-market with Sotheby's for more than US\$17m** **Left: A condo with sky lounge** **Below: Luxury duplex apartment with modern contemporary style**

especially from China, Myanmar and Taiwan, remain active in the Bangkok condominium market," Ms Boonsuk adds.

The government, keen to attract international high net worth individuals, wealthy retirees, and digitally savvy professionals to boost foreign investment and the economy after a slow recovery from Covid, has been rolling out incentives. These include the Long-Term Resident visa, a 10-year permit for individuals and family members, which comes with a simplified work permit process and tax benefits, and the Thai Privilege Visa, a multiple entry visa. The government recently halved the cost of the LTR visa fee. Other incentives may be on the way. "The government is also studying the feasibility of raising the level of foreign ownership allowed in the condominium from 49% of a

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Ms Boonsuk is also upbeat on outlook, viewing the condo market as stable for the rest of the year with potential growth in the upper tier section. "While the overall condo market faces challenges such as economic uncertainty and affordability issues, the luxury segment remains resilient, supported by strong demand from local and foreign buyers." She expects the market to gain momentum in 2025 as "premium projects come to fruition, coupled with broader economic recovery and continued government support for the real estate sector." ■

