

Low-rise developers cash in on growing popularity of Ratchaphruek Road area

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THE NATION

RATCHAPHRUEK ROAD is seen as an increasingly popular destination for home-buyers seeking a detached house or townhouse close to the mass-transit system, a survey by The Nation found early this week.

The area is situated close to the upcoming Bang Sue-Bang Yai mass-transit rail line, and also has an expressway and motorway that make it convenient for transportation.

Meanwhile, Ratchaphruek Road is designated a "green area" under the current Bangkok city plan, which means only low-rise housing can be built in the area, making it a suitable location for home-buyers looking to purchase something other than a high-rise condominium.

Issara Boonyoung, managing director of Kanda Property and adviser to the Business Housing Association, said the popularity of Ratchaphruek Road for residential development had returned since other parts of the city were hit by severe flooding late in 2011.

Detached housing and townhouse projects with homes generally costing between Bt3 million and Bt10 million

are particularly sought after, he said.

The survey by The Nation found that the most expensive detached housing in the country last year was in Quality Houses' Q Twelve project on Ratchaphruek Road, where prices started at Bt126.5 million per home.

However, the area is not only home to luxury residences, as it also has mid-range detached housing and townhouse projects developed by both listed and non-listed property firms.

For example, Prinsiri plans to launch the Bt600-million Prin Sathorn-Ratchaphruek detached-housing project in the next quarter, with the listed company offering prices ranging between Bt9.4 million and Bt17 million per home.

Land & Houses, meanwhile, already has detached-housing projects such as Baan Chaipruk Changwattana- Ratchaphruek and Baan Mantana Chanwattana-Ratchaphruek, in which most of the homes are on offer for between Bt9 million and Bt10 million.

Property Perfect, another listed developer, also has detached-housing projects in the area under its Masterpiece brand, with prices of more than Bt5 million per unit.

Sansiri has the Sretthasiri



Ratchaphruek-Charan, Sretthasiri Ratchaphruek-Charan 2 and Habitia Bond Ratchaphruek projects, with most of the properties costing between Bt5 million and Bt10 million.

AP (Thailand)'s The City Rama 5-Ratchapruek has a starting price of Bt13.99 million, while another listed property firm, SC Asset Corp, has three detached-housing projects on Ratchaphruek Road: the Grand Bangkok Boulevard Ratchaphruek-Rattanathibeth, Bangkok Boulevard Ratchaphruek-Rama 5 and Life Bangkok Boulevard Ratchaphruek-Rattanathibeth.

When combining existing projects and new residential launches on Ratchaphruek Road, there are more than 20 projects comprising 405,000 units in the area, with prices ranging from Bt4 million right up to Bt130 million-plus.



Homes in the Q Twelve project in the Ratchaphruek Road area were the most expensive detached housing in the whole of the country last year, with some of the properties touching Bt155 million.

Retail growth

The growth of new housing in the area since 2009 has challenged retail businesses to expand their investments to serve the additional purchasing power that has arrived and will soon be coming to the location.

For example, KE Land has tied up with SB Furniture to develop the Bt2.5-billion Crystal Ratchaphruek community mall this year.

In another development, HomePro – which already has a branch in the area – has linked up with Villa Market to open an outlet at its branch to serve demand from the local community and

lifestyle-mall growth in this location.

Index Living Mall, meanwhile, is opening a Bt1.5-billion community mall, the Walk, in the area, with the project comprising an Index Living Mall outlet, a Big C Supercentre and a food centre.

Suwan Spinning and Weaving is also developing a community mall, the Circle Ratchaphruek.

Land costs rise

Following strong demand to develop both residential projects and retail business in the area, the cost of land

on Ratchaphruek Road has soared from an average of Bt20,000 per square wah (4 square metres) six years ago to Bt200,000 currently.

Issara said some locations had been fetching between Bt150,000 and Bt200,000 per square wah since the floods hit much of greater Bangkok in 2011.

"Demand to buy detached housing in this location has showed strong growth. The Ratchaphruek area will be a new destination for the detached-housing market, especially for homes costing more than Bt5 million," he added.