

Real condo market rises on lower supply

Lower supply in Bangkok has raised the real occupancy rate in condominium market, says property consultant Plus Property Co.

The latest survey by Plus Property has found demand for condominium for real residential purpose remains strong and is rising further, largely due to limited supply in the market.

The company researched into the supply and demand of condos located in Bangkok in which 52 projects have been completed with a combined 12,657 units, all of which have ownership rights transferred.

The research findings revealed that 82% or two-thirds of the total are occupied and resided by the owners with the rest inhabited by tenants. The real occupancy rate has increased from 77% in 2013, reflecting limited new supply into the market.

The data show that the Phahon Yothin

Road road and outer areas such as Chaeng Wattana, which are close to government complex and corporate office buildings, are the zones that see the highest real occupancy rate. The Sukhumvit area (Sukhumvit Soi 1-71) has the highest density of the tenants especially Japanese, as the zone has been developed to cater to the lifestyle of the Japanese people, who favour ready-to-move-in, fully-furnished condominiums that are close to public transport.

"It could be seen that lower and limited supply has raised the absorption rate in the market," he said. "This is coupled with strong demand for condos in Bangkok and an economic outlook that is moving in a positive direction. More importantly, consumer confidence is improving, and their spending is expected to recover soon," said Mr Poomipak.