

 SANSIRI News Clippings	The Nation
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UDON ENJOYING A PROPERTY BOOM PRIOR TO AEC KICKOFF

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THE NATION

Listed property firms are itching to roll out residential projects in Udon Thani before the Asean Economic Community gets going in 2015, as the northeastern province is the gateway to Vientiane, the capital of Laos.

"Udon Thani has all the facilities to support people's lifestyles. Most retail businesses have opened a branch in this province," Naporn Sunthornchanchaoen, senior executive vice president of Land & Houses, said last week.

"There's also infrastructure such as roads and a ring road linking Udon to Vientiane.

"It is suitable for Thai and foreign investors to use as their hub to invest in Laos when the AEC blooms in 2015."

According to a survey by *The Nation*, Land & Houses, Sansiri, Supalai, LPN Development and Prukka Real Estate bought land in Udon after they saw strong demand from both local and foreign investors. Most buyers have a business in Vientiane but prefer to live in Udon

because it has better facilities and is only two hours away by car.

Srettha Thavisin, president of Sansiri, said the company sees potential in Udon for both high-rise condominiums and low-rise projects, mainly single family homes and townhouses. The company has bought land to serve demand from both local customers and foreigners who operate a business in this province or are venturing into Vientiane.

Demand is focused on homes costing less than Bt5 million per unit, said Opas Sripayak, managing director of LPN Development. The company is considering condos priced at not more than Bt2 million per unit in this

AEC

Sansiri has bought land to serve demand from both local customers and foreigners who operate a business in Udon or Vientiane.

province.

Land & Houses became interested in Udon when it noticed the demand from both local investors and those from other provinces who set up in Udon to export or trade with Vientiane.

Land prices in the central business district of Udon have shown signs of doubling, said Pornpip Thanasriwanitchai, president of the Udon Thani Property Club.

Leading property firms from Bangkok have started to look for land in the CBD. For example, Land & Houses has succeeded in securing property to develop a residential project this or next year, while Supalai also has to find a site to develop residences in this province.

The cost to buy centrally located land has surged at least 100 per cent from Bt100,000 per square wah to Bt150,000-Bt200,000, she added.

The Udon Thani Provincial Lands Office has raised assessed values by an average of 61 per cent.

For example, land on Posri Road in Udon Thani city shows an official reference price of Bt150,000 per square wah or Bt60 million per rai.

But the market price averages Bt200,000 per square wah, Pornpip said.

Udon Thani's property market averages Bt8 billion a year, of which a third is developed by 22 local builders, a third by landowners who hire local contractors and a third by local home-builders offering designs to landowners wanting to build a home.

Housing demand from natives of Udon also comes from those who marry foreigners and those who work overseas and send money back to their family.

They gravitate towards single family homes priced Bt2 million-Bt3 million with an average of 120 square metres of space and two to three bedrooms, she said.

