

**PROPERTY**

# Sansiri allots B24bn for 44 new projects this year

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Listed developer Sansiri Plc (SIRI) plans to spend 24 billion baht to launch 44 new projects worth a combined 46 billion baht, with 32 billion baht in sales expected this year.

President Srettha Thavisin said the new projects would cover all pricing segments and also tap major destinations including Phuket, Chiang Mai, Khao Yai, Pattaya and Hua Hin.

In the provinces, it will give more weight to Phuket, as it is an urban segment where several products and prices are in demand.

He said this year would be an aggressive one for Sansiri as the sales target is 35% higher than the 24 billion baht generated in 2011. Revenue growth of 40% is expected, up to 28 billion.

"We will diversify to all market segments with a strong focus on the fast-growing middle income sector," he said. One project will be its second in the UK with prices ranging from £1,700 per square foot.

Sansiri's plan this year comprises 19 condominium projects worth 19 billion baht, 15 single-house projects worth 20 billion and 10 townhouse projects worth 7 billion.

Though condos are expected to make up 40-50% of total revenue this year, Mr Srettha does not believe they will boom. People that prefer low-rise living will continue to do so, he suggested, but some folks may buy a small condo as

alternative lodging during floods.

"People still prefer to live close to their family, so I don't expect that to change much," he said.

Like other developers, Sansiri will apply flood protection measures to projects including studying the project site, raising the ground level and asking foreign advisors to study their drainage system and walls.

"Homebuyers will be especially concerned with quality after the floods," he added.

The mid-priced segment is likely to contribute 40% of total revenue this year, covering 5.1 to 10.1 million baht per home, townhouses priced 3.10 to 7.10 million and condos priced from 60,000 to 100,000 baht a square metre. The high-end and budget segment are expected to contribute 30% of revenue each.

Sansiri has a sales backlog of 35 billion baht with 15 billion to be realised this year. The sales target for the first quarter is 10 billion baht.

It will spend 600 million baht to build a precast factory on a 45-rai site in Lam Luk Ka to support low-rise development of up to 150 units worth around 600 million baht a month or 7.2 billion a year. It expects to increase production capacity to 200 units a month to raise annual sales.

SIRI shares closed yesterday on the Stock Exchange of Thailand at 1.61 baht, down three satang, in total trade of 135.9 million baht.