

# HIGH-END DEVELOPMENT BOOMING ON RATCHADA AND PHLOENCHIT

**Commercial centres and luxury residences worth Bt200 bn to come up by 2013**

SOMLUCK SRIMALÉE  
THE NATION

**R**atchadaphisek Road from the Rama IX intersection to Lat Phrao and the area between the Phloenchit intersection and Wireless Road will be the new commercial business centres and luxury residential areas in Bangkok, according to a survey by *The Nation*.

Property firms plan to launch new office, commercial and residential buildings worth a total of more than Bt200 billion between now and 2013 in these two areas.

The Real Estate Information Centre (REIC) has found that 10 condominium projects have been launched along about 700 metres of Ratchadaphisek up to Rama IX since last year with a combined 8,500 units worth more than Bt30 billion. About 80 per cent of the units have been sold.

The research also found that condominium prices in this location had more than doubled over the past four or five years. For example, some condo projects that once offered prices of Bt45,000 per square metre are now asking between Bt80,000 and Bt135,000.

Land appraisals in this part of Ratchadaphisek have also increased in the same period from an average of Bt80,000 per square wah (Bt20,000 per square metre) to Bt150,000-Bt220,000 per square wah now. Meanwhile, appraised values from Rama IX Road to Huai Khwang have also increased from an average of Bt80,000 per square wah to Bt100,000-Bt250,000.

But the market price may be higher than appraised values, the REIC found.

According to *The Nation* survey, big companies have office buildings under construction on the north-south strip with a market value of Bt80 billion. These include American International Assurance, the Stock Exchange of Thailand, and the ninth tower of Grand Rama IX and G Land Tower. All of these buildings have combined floor space of 800,000 square metres. They will be completed this year or in 2013.

The construction of new office buildings has driven property firms to develop residential projects in this location since last year. They are developing both condominium and townhouse projects.

For example, Pruksa Real Estate launched Ivy Ratchada last year. Supalai plans to launch condo projects worth more than Bt10 billion this year. Noble Development will launch new condos worth several billion baht this year. Asian Property Development also has condominium projects in this location. LPN Development will introduce its first townhouse here.

## LUXURY DESTINATION

Meanwhile, investment in the area between the Phloenchit intersection and Wireless Road and from the junction to Sukhumvit Soi 1 is expected to exceed Bt100 billion this year, including luxury hotels, condominiums and office buildings. They include the Venture Park project, Central Park Hyatt, Noble Phloenchit, and luxury



A PERSPECTIVE of Noble Phloenchit, one of several luxury condominium projects developed by Noble Development.

homes developed by Sansiri.

A number of developers have launched residential projects in the Ratchadaphisek and Phloenchit areas. These include Pruksa Real Estate, Sansiri, Noble Development, Asian Property Development, Land & Houses, and Supalai.

For example, Noble Development last year launched a luxury condo project on Phloenchit Road that it calls Noble Phloenchit worth Bt14 billion.

Sansiri also plans a luxury condominium project, which will have three buildings, on Phloenchit Road after it bought the land for Bt1.5 million per square wah early this year.

"We will introduce the project to the market this year," Sansiri pres-

ident Srettha Thavisin said.

Sansiri's luxury condos on Phloenchit may be priced higher than others in Bangkok, ranging between Bt300,000 and Bt350,000 per square metre.

After aggressive investment in both of these locations, Bangkok's new city plan, to become effective on May 15, 2013, will change Ratchada from low-density to high-density, opening it up to high-rise buildings. Phloenchit will be a commercial and high-density zone. This will support huge investment in the area, driving up land and residential prices as well as rents for commercial and office space close to levels now seen in the Silom, Siam and Sathorn central business districts.