

Weaker baht boosts demand for residential sales in Asian markets

DEVELOPERS CASH IN BY PROMOTING CONDOS AT ROADSHOWS IN CHINA, HONG KONG, SINGAPORE, JAPAN AND TAIWAN

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THE NATION

LEADING RESIDENTIAL developers are boosting overseas sales of their luxury projects via roadshows and other initiatives, especially in Asian markets such as China, Hong Kong, Singapore, Japan and Taiwan, thanks largely to the baht's depreciation this year.

The unit weakened sharply, from 32.95 per US dollar on January 1 to 36.43 last week.

"We sold units in our two condominium projects under the brand, the Line - in Chatuchak and Sukhumvit 71, worth Bt1.8 billion in total - in the first nine months of the year, due to the baht's weakness," said Uthai Uthaisangsuk, Sansiri's executive vice president of business development and project development division (high rise).

Most of the company's foreign customers are from Singapore, Hong Kong and Taiwan, with additional business being drummed up by road shows in these key markets.

These buyers, along with plans to enter China by the end of the year, are expected to boost full-year foreign pre-sales to Bt3 billion, he said.

Eastern Star Real Estate is also



Hong Kong buyers book units in the Line Sukhumvit 71 condominium during Sansiri's road show in August. Interest has been stimulated by the weakness of the baht, which has contributed significantly to strong demand from foreign buyers.

holding a roadshow for its two condominium projects – the Starview on Rama 3 and the Nara 9 on Narathiwat Road – via the “China Real Estate Business Exhibition 2015”, which is touring the cities of Chengdu, Chongjin, Kunming and Gulyang during the remainder of the year.

“This is part of efforts to boost sales in the final quarter, having seen strong demand from foreign buyers following the baht's weakness,” said a member of the company's management.

Nuttaphong Kunakornwong, chief executive officer of SC Asset Corp, said that when the baht began to depreciate, it challenged foreign buyers to expand their investment in residential projects in Thailand.

For example, the firm succeeded in selling units in the Bt900-million Saladaeng One after introducing the

project to customers last week. The condominium project does not open to the general public for bookings until May 23.

Last week's interest in the company's latest offering shows that demand for luxury homes is still strong from both foreign and domestic buyers.

Up to 30 per cent of its customer target for Saladaeng One, which offers units from Bt13 million – or Bt310,000 per square metre – is the foreign market, said the CEO.

With all its foreign buyers being from China, Hong Kong, Singapore and Taiwan, SC Asset is taking Saladaeng One on a roadshow to Singapore and Hong Kong in the next quarter, he added.

Meanwhile, Hong Kong-based Fulcrum Capital is investing Bt2.3 billion on 306 units of the Park 24 con-

dominium from Proud Residences.

Frank Leung, managing director of Fulcrum Capital, said Thailand was the first Asean country in which the company was expanding its investment, after seeing business opportunity especially for residential projects, for which prices are still lower when compared with Asian markets like Hong Kong, Singapore and China.

The current weakness of the baht also benefits its investment in Thailand's property market, he said.

Fulcrum Capital was established in 2009 to manage a private real-estate investment fund worth US\$500 million (Bt18.16 billion).

The company has investments worth 300 million pounds sterling (Bt16.5 billion) in residential projects in the United Kingdom that together comprise more than 1,000 units.