

# INTEREST RISING DOWN BY THE RIVER

The Rama III/Riverside property market has received a boost from some major infrastructure and lifestyle projects  
 By Frank Khan

Condominiums in the Rama III and Riverside area are considered a significant sub-market for Bangkok's central business district. This area stretches along Charoen Krung and Charoen Nakhon roads by the Chao Phraya River southward to just past the Sathorn Bridge, and to the north of Si Phraya Road, as well as the area along both sides of Narathiwat Ratchanakharin Road.

According to reports in the first half of 2011, the supply in this area totalled 16,329 units. The figure represents units launched from 2003 to the second quarter of 2011. The pioneer developer in the area was LPN Development Plc, with a market share of approximately 40% of the total supply. Most of the projects developed by LPN target lower income buyers. During the first half of 2011, there were approximately 1,427 units added in this area, representing 52% of the total launched last year. The take-up rate was approximately 85.5%, and there were 2,366 units available.

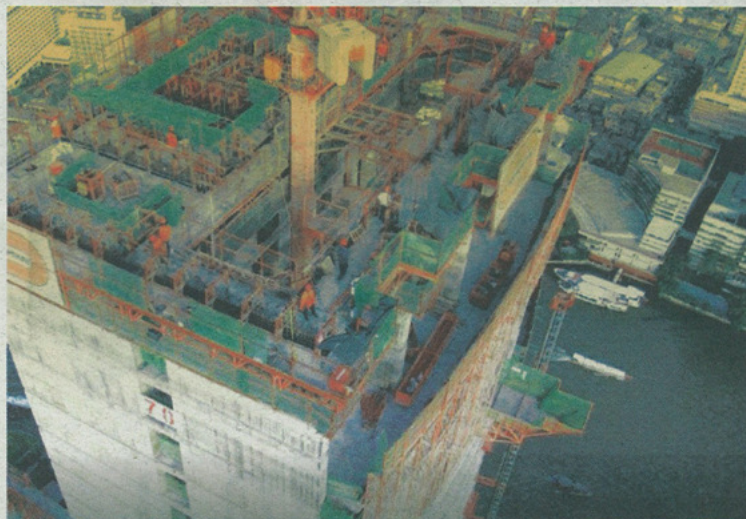
Rama III/Riverside is an excellent location for businesses as it is close to busy commercial areas such as Sathon and Silom. The eight-lane Rama III Road can accommodate heavy traffic, even during rush hours. As well, the Bangkok Rapid Transit bus service makes it convenient for residents in the area to connect to the BTS at Chong Nonsi station.

Several condominiums and other residences preferred by expats are located here, and the area offers easy access to Dao Khanong via the Rama IX Bridge. The Krungthep Bridge connects Thon Buri and Bang Kho Laem districts.

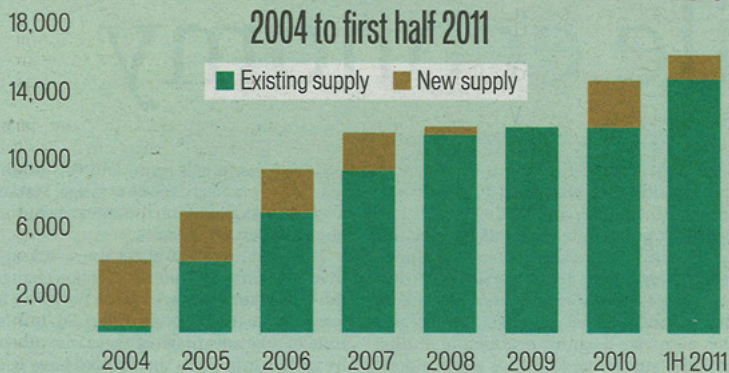
Competition in the Rama III/Riverside condominium market is not fierce because demand and supply are increasing at a similar rate. In the past, the supply of condominiums in the area was limited to Grade C units with an average selling price below 60,000 baht per square metres. Those being launched this year include both B and C grade units with selling prices between 50,000 and 100,000 baht per square metre. The lifting of the market to capture more medium-income residents reflects more infrastructure devel-



VISION OF THE FUTURE: A fanciful rendering by local developer Tonson Property suggests that Rama III could become the new commercial, financial and cultural centre of Bangkok, transforming the city's skyline.



## Rama III/Riverside condominium stock and new supply



Source: Knight Frank Thailand Research and Consulting Department

POSTgraphics

opment in the vicinity, notably the Bhumibol I Bridge connecting Bangkok's Yannawa district with Phra Pradaeng district in Samut Prakan. The spectacular twin cable-stayed bridge straddles a meander in the Chao Phraya to form part of the capital's Industrial Ring Road, connecting industrial areas in Samut Prakan with the Port of Bangkok.

The bridge has made the area easily accessible to the industrial estates of Bang Na as well as the factories of Phra Pradaeng.

Thus prospective condominium buyers include small-business owners, higher management of companies in the area and even factory owners.

Facilities and amenities in the area are also improving, as community malls, restaurants and other lifestyle enhancers pop up. The number of investors buying units to rent out is also increasing.

One major project being launched this year in the area is the Star View Rama III,



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developed by Eastern Star Development Plc, with selling prices of about 78,000 baht per square metre. The units come with a fixed parking space, and each has its own private lift. Product differentiation such as this will be important for the future success of developments. ■

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