



Thailand Property Market Index

Q3 2021



DDproperty



183 (-4%)

Q3 2021 Price Index



428 (7%)

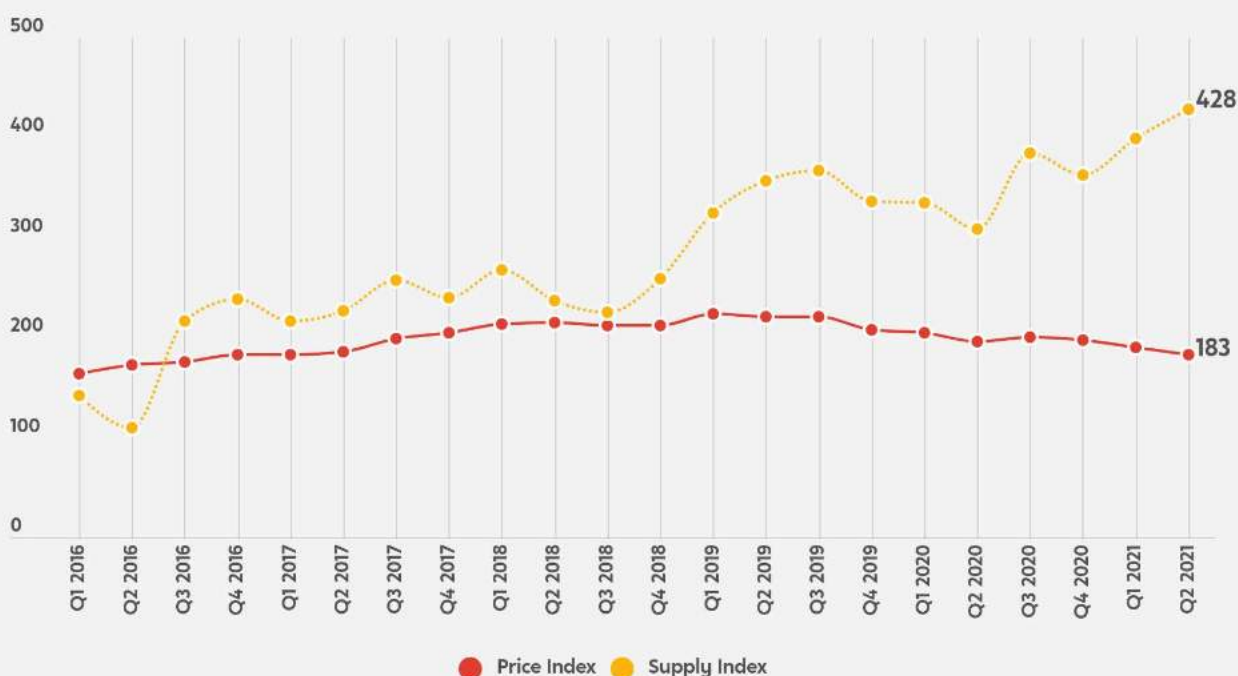
Q3 2021 Supply Index

Executive Summary

In Q3 2021, the coronavirus pandemic is forecast to worsen due to new variants that allow faster transmission and a lack of access to vaccines. Government lockdown policies also impact the overall economy, leading to fewer property transactions.

DDproperty Thailand Property Market Index

Price Index & Supply Index (QoQ)



Source: DDproperty



“

Developers are focused on developing horizontal property where real demand lines.

Simultaneously, they're delaying vertical project launches because of a high volume of remaining inventory.

The Price Index of condominiums is expected to dip and stabilise until the end of the year or until the pandemic improves in Thailand

”

Kamolpat Sawaengkit

Country Manager of DDproperty

The DDproperty Thailand Price Index has continually decreased from the previous quarter, and predictions expect it to remain stable throughout the year. Meanwhile, the DDproperty Thailand Property Supply Index has increased as consumers delay their purchase because the pandemic reduced incomes, resulting in weak consumer purchasing power.

Report Highlights

- 1** Get The Guru View
- 2** Price Index Overview
- 3** District Roundup
- 4** Supply Index Overview
- 5** Macroeconomics Overview
- 6** Conclusion
- 7** About This Report
- 8** Methodology
- 9** About DDproperty



Consumer confidence has dropped due to the severity of the pandemic, despite sliding residential prices which create a golden opportunity for long-term investors and financially stable consumers.



Sellers need to understand the behaviour and needs of buyers to dispose off their assets during the pandemic. It is, however, best to postpone the sales if the sole goal is to generate profit as prices are on a downward trend.



The property market is likely to see more fluctuations due to economic instability and the current wave of Coronavirus. Consumers need to adopt further financial discipline to overcome unexpected circumstances that could impact their investment plans.



To minimise the spread of the coronavirus, construction sites in Bangkok and the outskirts have closed. They are delaying property construction, and buyers should take this into account before investing.

Price Trends

Since the beginning of the year, property prices in Q3 2021 have been sliding due to the recent outbreak.

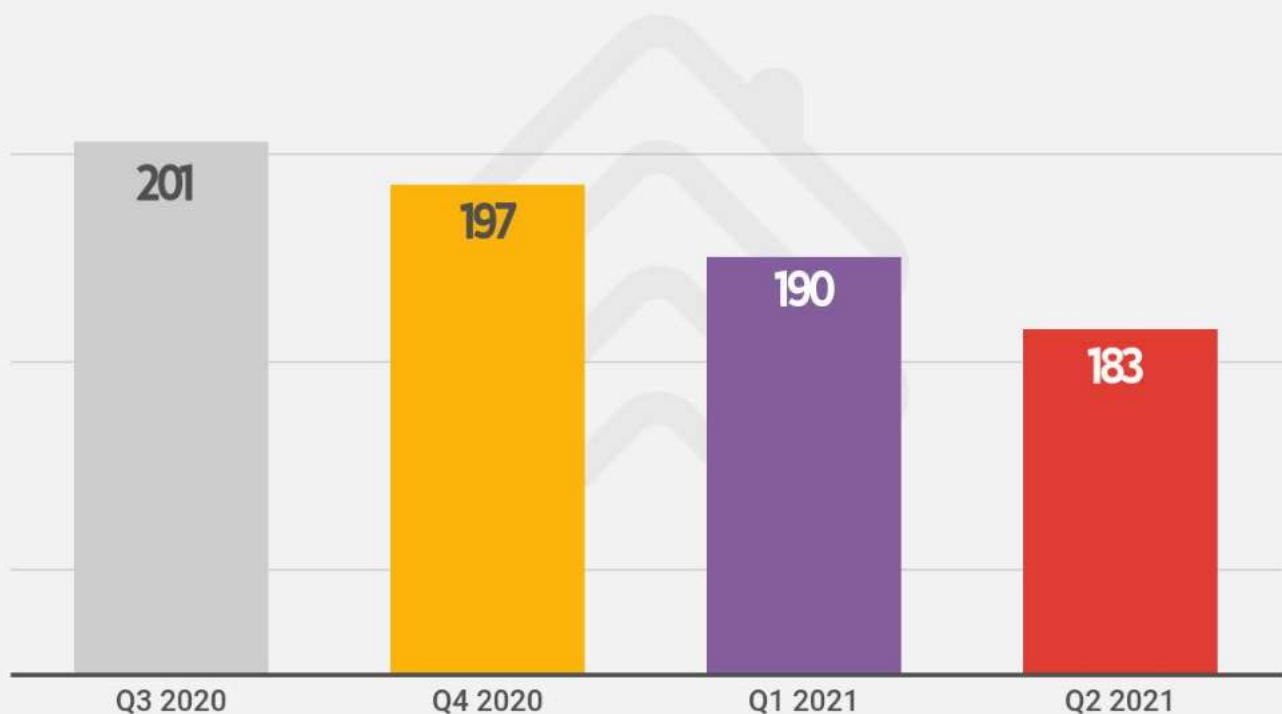
The country's economy has slowed down, and household debt has hit a record-high when it rose to 90.5% of the country's GDP. Consumers' shrinking purchasing power led them to postpone buying a house or take longer to consider investing in property.

Meanwhile, developers are offering promotions and discounts to attract buyers and speed up their buying decisions.

The latest DDproperty Thailand Property Market Index report indicates that the Price Index for residential property in Bangkok decreased from 190 to 183 points or -4% QoQ, the lowest since Q2 2017.

DDproperty Thailand Property Market Index

Property Price Index dropped by 4%



(Base Quarter = Q1 2015 = 100.0)

Source DDproperty

The Price Index decrease applies particularly for condominiums, as consumer interest still veers towards horizontal living.

Moreover, many investors and foreign buyers disappeared from the market.

The Price Index of condominiums decreased by 3% from the previous quarter, slumping 8% year-on-year (YoY). The Price Index of townhouses remained stable from the previous quarter and shrunk by 2% YoY. Single-detached houses enjoyed an increase of 3% QoQ and 3% YoY.

DDproperty Thailand Property Market Index

Bangkok: Price Index by Property Type (QoQ)



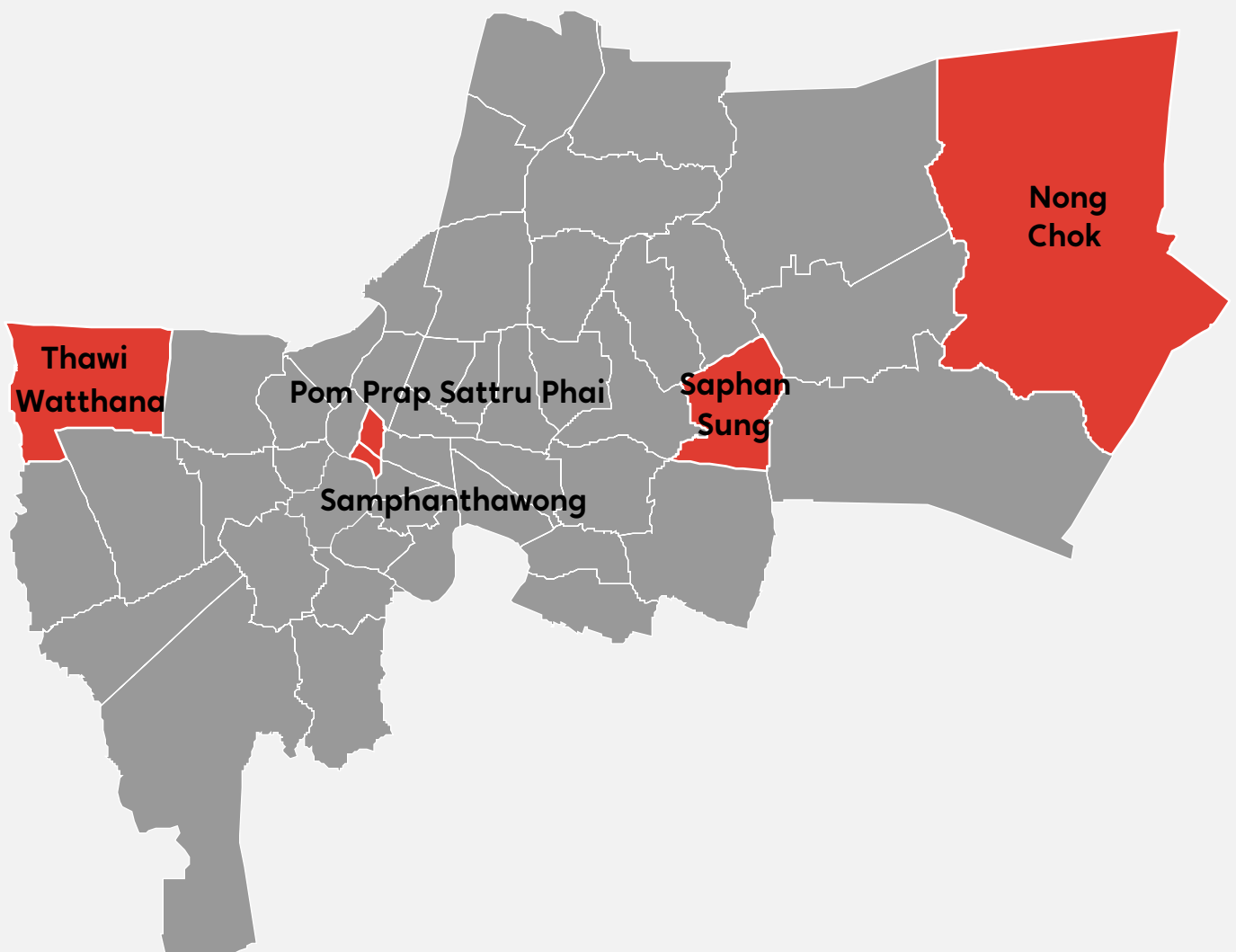
5 Districts

with the Highest Median Asking Prices Growth

	District	Area	Median Asking Price*		QoQ (%)
1	Samphanthawong	City Fringes	99,000	▲	22%
2	Thawi Watthana	Outskirts	27,000	▲	9%
3	Pom Prap Sattru Phai	City Fringes	204,000	▲	7%
4	Saphan Sung	City Fringes	33,000	▲	5%
5	Nong Chok	Outskirts	15,000	▲	5%

Legend: CBD - Central Business Districts

*Price per square metre



Bangkok Fringe Areas Experience Price Index Growth

Bangkok's fringe and outer CBD areas with access to current and future Skytrain routes recorded the highest Price Index growth.

Samphanthawong district increased by 22% QoQ, with condominiums experiencing the highest growth at 22%. Meanwhile, Pom Prap Sattru Phai district increased by 7% QoQ, whereas single-detached houses recorded 45% growth.

These two locations are outside of the CBDs, within reach of the MRT Blue Line (Hua Lamphong-Lak Song), and

in one of the largest commercial areas. Even though interest has slumped for such areas due to the pandemic, there is still potential for growth.

Thawi Watthana district enjoyed the highest Price Index from the previous quarter at 9%, with single-detached houses recording the highest increase at 7%. This is a result of the MRT Light Red Line (Bang Sue-Taling Chan) trial run in August 2021, and the line expected to be fully operational by the end of the year. The Si Rat-Outer Ring Road Expressway also eases congestion in the area.

5 Locations in Bangkok with Outstanding Condominium Price Growth This Quarter

District	Subdistrict	QoQ Growth	YoY Growth	Q2 2021 vs Q2 2019*
Bang Khen	Anusawari	6%	33%	9%
Bang Kapi	Khlong Chan	5%	7%	2%
Lak Si	Talat Bang Khen	5%	7%	7%
Bang kho laem	Bang Klo	5%	8%	-5%
Chatuchak	Lat Yao	4%	11%	17%

5 Locations in Bangkok with Outstanding Single-detached House Price Growth This Quarter

District	Subdistrict	QoQ Growth	YoY Growth	Q2 2021 vs Q2 2019*
Bang Phlat	Bang O	17%	17%	18%
Chom Thong	Bangko	15%	-4%	-58%
Taling Chan	Taling Chan	15%	15%	2%
Chatuchak	Sena Nikhom	9%	14%	-12%
Watthana	Khlong Tan Nua	3%	24%	-24%

5 Locations in Bangkok with Outstanding Townhouse Price Growth This Quarter

District	Subdistrict	QoQ Growth	YoY Growth	Q2 2021 vs Q2 2019*
Bang Sue	Wong Sawang	12%	12%	31%
Chatuchak	Jom Phon	8%	1%	-18%
Huai Khwang	Huai Khwang	8%	-28%	-8%
Watthana	Khlongtoei Nua	7%	9%	-3%
Chatuchak	Sena Nikhom	7%	6%	-9%

*Note: Compared between Q2 2021 and Q2 2019 (pre-COVID-19)

Supply Trends

Supply of residential properties ramped up in Q2 2021, reflecting low absorption rates due to limited consumer purchasing power caused by the long period of economic slowdown.

The Supply Index increased from 399 to 428 points or 7% QoQ and 37% YoY, which is the highest jump since Q1 2015.

Forecasts expect supply to remain consistent throughout 2021 as developers delay projects and property owners postpone selling.

Condominiums accounted for the highest proportion of all Bangkok supply at 88%, representing a 10% hike from the previous quarter. Single-detached houses accounted for 7% (+7% QoQ) and townhouses 5% (+12% QoQ).

DDproperty Thailand Property Market Index

Bangkok: Supply Index by Property Type (QoQ)

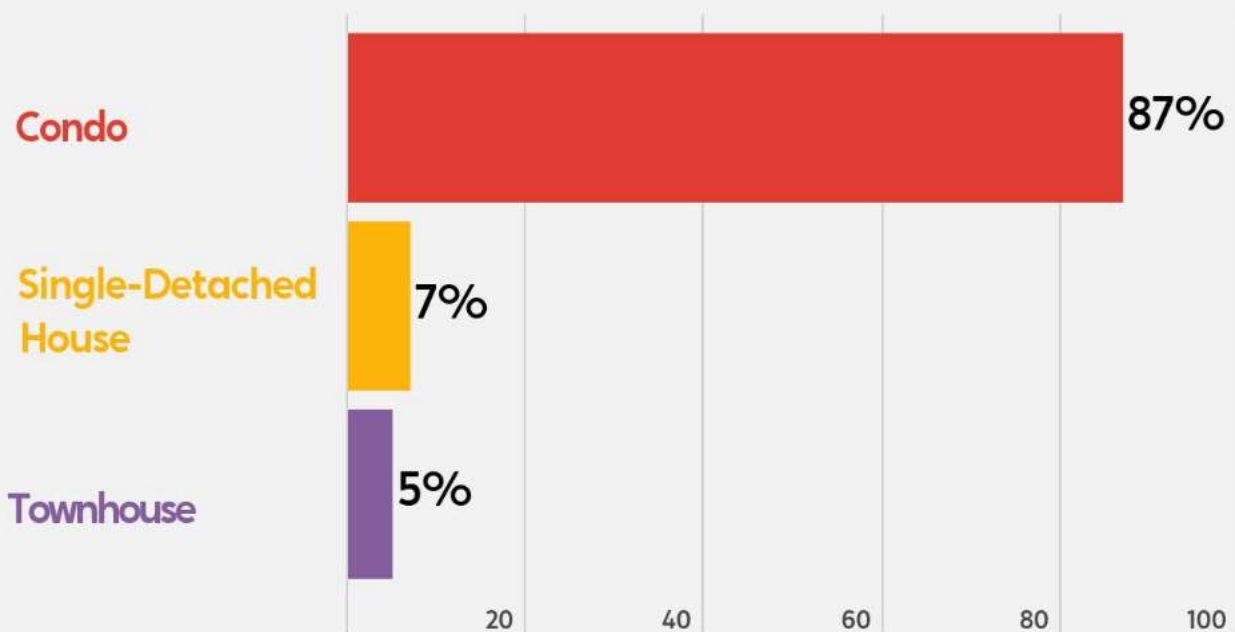


Chong Nonsi subdistrict in Yan Nawa District experienced the highest supply, recording 34% growth; Din Daeng subdistrict in Din Daeng district and Huai Kwang subdistrict in Huai Kwang district both increased by 11%, while Bangchak subdistrict in Phra Khanong district and Khlong Tan Nuea subdistrict in Watthana district both rose 7%.

Wattana district is the location with the highest volume of condominiums, accounting for 27% of all Bangkok supply. Khlong Sam Wa district has the highest supply of townhouses, representing 8% of all Bangkok supply, while Prawet district has the highest supply of single-detached houses, accounting for 9% of all supply.

DDproperty Thailand Property Market Index

Residential Property in Bangkok by Property Type (%)



Locations with the Highest Supply Reduction

The locations in Bangkok with the highest reduction in supply over the last quarter are Bang Mot subdistrict in Thung Khu district, decreasing by 15%; Lam Pla Thio subdistrict in Lat Krabang district and Suriyawong subdistrict in Bangrak district, both decreasing by 13%; Wang Mai subdistrict in Pathumwan district reducing by 5%

and Thung Khru subdistrict in Thung Khru district by 4%.

Interest from buyers and tenants in Bangrak district has increased by 34% over the last quarter.

Meanwhile, the appetite for Lat Krabang district rose 13%, while renters flocked to Thung Khru district as interest skyrocketed 122%.

“

Even though buyer and tenant interest increased in areas where supply has slumped, there are still opportunities for property owners. It is recommended to be diligent in monitoring market fluctuations caused by COVID-19.

”

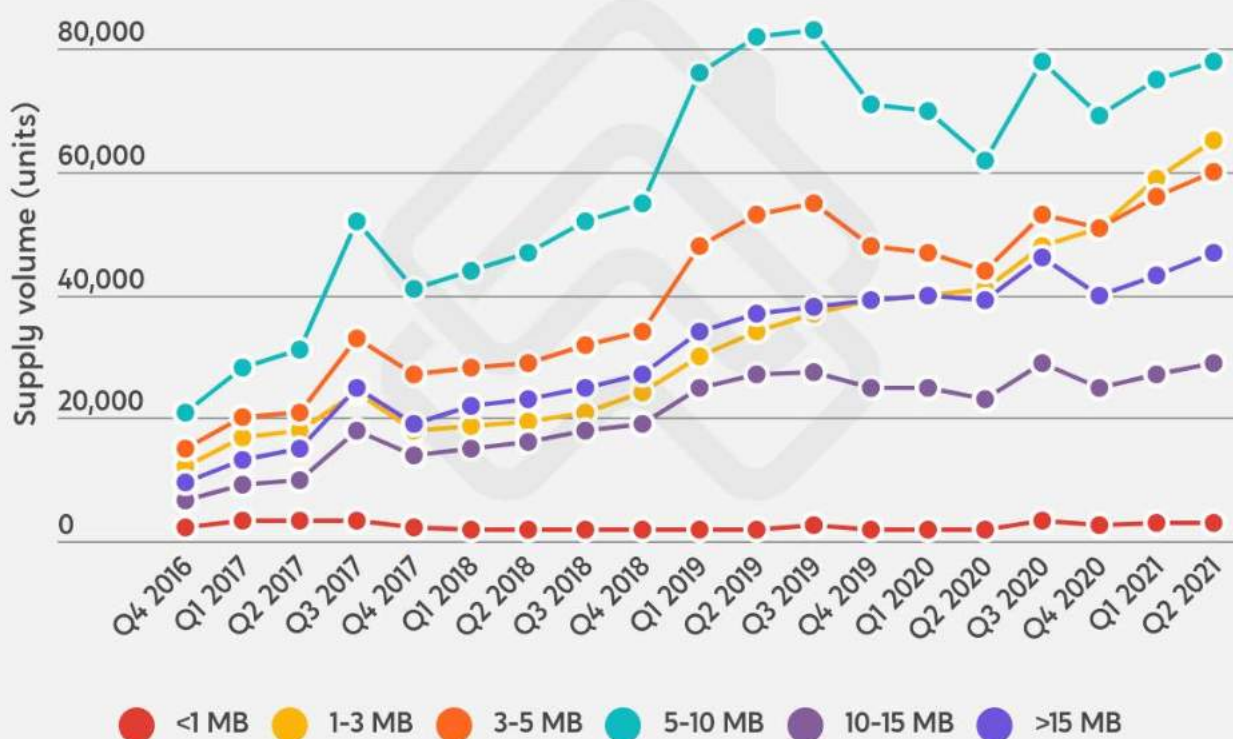
Properties in THB1-3 million Segment Dominate the Market


Looking at property supply across price segments, the THB1-3 million segment accounts for the majority with 10% growth. It is followed by the THB3-5 million, THB10-15 million, and over THB15 million segments, all recording 7% growth QoQ.

Condominiums supply in the THB5-10 million segment grew by 5% from the previous quarter, while supply in the THB1-3 million segment rose the highest at 10%. Most supply for single-detached houses are over THB15 million, while most townhouses fell into THB1-3 million bracket.

DDproperty Thailand Property Market Index

Bangkok: Supply Volume by Price Range





Despite properties in the THB1-3 million segment appearing to attract the most attention with 24% consumer interest, figures reveal that properties in the over THB10 million segment enjoyed the highest consumer interest, growing by 9%. Properties in the THB5-10 million bracket expanded by 4% and those in the THB3-5 million segment by 1%.

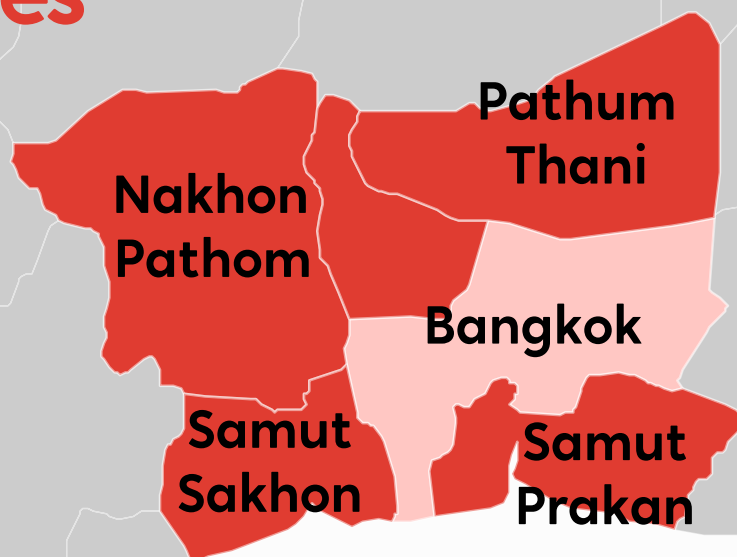
“

Even though supply in the THB1-3 million price segment was the highest, consumer interest plummeted by 6%. This reflects the weak purchasing power of lower-middle-class consumers who are not positively affected by government policies such as lower mortgages and transfer of ownership fees.

”

Growth is Recorded in Surrounding Bangkok Provinces

Bangkok's vicinity provinces, namely Samut Prakan, Pathum Thani, Nonthaburi, Samut Sakhon, and Nakhon Pathom, became locales for the outbreak of clusters of the current wave of COVID-19. Several areas, particularly Pathum Thani, Samut Prakan, Nonthaburi, and Samut Sakhon, saw vast price increases especially as compared to pre-pandemic prices two years ago.



5 Bangkok-Adjacent Provinces with the Highest Condominium Price Growth This Quarter

Province	District	Subdistrict	QoQ Growth	YoY Growth	Q2 2021 vs Q2 2019*
Samut Prakan	Phra Pradaeng	Bang Kru	23%	1%	41%
Nonthaburi	Muang Nonthaburi	Bang Rak Noi	12%	112%	100%
Pathum Thani	Lam Luk Ka	Lam Luk Ka	8%	-6%	72%
Pathum Thani	Muang Pathum Thani	Lak Hok	7%	37%	27%
Samut Prakan	Phra Pradaeng	Samrong Tai	6%	100%	74%

5 Bangkok-Adjacent Provinces with the Highest Single-Detached House Price Growth This Quarter

Province	District	Subdistrict	QoQ Growth	YoY Growth	Q2 2021 vs Q2 2019*
Samut Sakhon	Krathum Baen	Tha Sao	31%	22%	316%
Samut Prakan	Muang Samut Prakarn	Tai Ban	21%	2%	-4%
Samut Prakan	Bang Bo	Khlong Dan	20%	0%	143%
Nonthaburi	Pak Kret	Bang Talat	12%	10%	12%
Samut Prakan	Phra Samut Chedi	Pak Khlong Bang Pla Kot	10%	70%	58%

5 Bangkok-Adjacent Provinces with the Highest Townhouse Price Growth This Quarter

Province	District	Subdistrict	QoQ Growth	YoY Growth	Q2 2021 vs Q2 2019*
Pathum Thani	Sam Khok	Bang Toei	29%	23%	-47%
Pathum Thani	Lat Lum Kaeo	Na-Mai	28%	28%	55%
Samut Prakan	Muang Samut Prakarn	Pak Nam	21%	20%	-7%
Samut Sakhon	Krathum Baen	Khaerai	18%	46%	44%
Samut Prakan	Phra Pra Daeng	Bang Hua Sua	15%	17%	108%

*Note: Compared between Q2 2021 and Q2 2019 (pre-COVID-19)

Despite the current wave of COVID-19, buying interest rose in the various provinces adjacent to Bangkok. Nong Suea district in Pathum Thani increased by 55% QoQ (-16% YoY), Bang Bo district in Samut Prakan by 15% (+44% YoY), Krathum Baen district in Samut Sakhon by 14% (+66% YoY), and Bang Yai district in Nonthaburi by 13% (+14% YoY).

Interest in renting increased tremendously especially in Sai Noi district in Nonthaburi, which enjoyed 94% QoQ growth (+185% YoY); Krathum Baen in Samut Sakhon rose by 67% (+168% YoY); Sampran district in Nakhon Pathom increased by 53% (+41% YoY), and Khlong Luang district in Pathum Thani increased by 52% (+16% YoY).

Looking at property supply in Samut Prakan, Pathum Thani, and Nonthaburi, which has access to the Sky Train, the THB1-3 million segment accounts for most supply in these Bangkok-adjacent provinces.

Most condominiums and townhouses in Bangkok's adjacent provinces are priced between THB1-3 million. Meanwhile, most single-detached houses in Nonthaburi and Samut Prakan are priced between THB1-3 million, and those in Pathum Thani are priced between THB3-5 million.

“

Higher buying attention in various locations reflects real market demand, but the instability caused by the COVID-19 pandemic forced consumers to delay decisions.

”

Property Market in Tourist Provinces and the Current Wave

Even though the property market in tourist provinces has been affected by COVID-19, the price trend still shows growth.



Chiang Mai is one tourist area most severely affected by the pandemic due to a lack of tourists. However, the overall Price Index still increased by 6% QoQ and particularly in Muang Kaeo subdistrict in Mae Rim district where it rose 29%.

The Price Index for Chiang Mai condominiums rose by 3% QoQ, the majority of which are in Pa Tan subdistrict in Muang Chiang Mai district rising 15%. Single-detached houses increased by 3% QoQ and are concentrated mainly in Chang Phuak subdistrict in Muang Chiang Mai district, rising by 21%.

Townhouses increased by 4% QoQ with a focus on Fa Ham subdistrict in Muang Chiang Mai district and San Sai Noi subdistrict in San Sai district, both rising by 10%.

The Supply Index rose by 26% from the previous quarter while it increased by 80% in Nong Phung subdistrict in Saraphi district. Pa Daet subdistrict in Muang Chiang Mai district grew by 55% while a 44% increase was recorded in San Sai subdistrict. All illustrate a slowdown in absorption rates.



Phuket is the first province to welcome back tourists under the Phuket Sandbox project. Overall, the Price Index increased by 1% QoQ, mainly in Thap Krasatri subdistrict in Thalang district where it spiked by 19%.

The Price Index for condominiums in Phuket rose by 4% QoQ, with the majority in Talat Nua subdistrict in Muang Phuket district increasing by 9%. Single-detached houses hiked by 4% and in Ratsada subdistrict in Muang Phuket district by 16%. Townhouses increased by 14% QoQ, with Kathu subdistrict in Kathu district seeing the Price Index rise by 9%.

The Supply Index rose by 26% from the previous quarter. Thap Krasatri subdistrict in Thalang district saw a staggering 103% increase, followed by Kammala subdistrict in Kathu district where it hiked 71%, and Pa Khlok subdistrict in Thalang district where it rose by 64%. These figures show that the Sandbox project does not accelerate absorption rates.



Pattaya's property market was severely impacted due to a lack of foreign consumers. Overall, the Price Index decreased by 24% QoQ, but at the same time the index in Nakloe subdistrict increased by 9%.

The Price Index of condominiums decreased by 14% QoQ, while it rose by 2% in Huai Yai subdistrict. The index for single-detached houses increased by 3%, with Nong Pru subdistrict recording a 14% increase. Townhouse prices hiked by 50%, particularly in Nong Pru subdistrict.

The Supply Index hiking across all locations which indicate incredibly low absorption rates.

Macroeconomics Overview

The Monetary Policy Committee (MPC) unanimously decided to stabilise annual interest rates at 0.50% to bolster the growth of Thailand's economy. Overall, the economy in 2021 will expand by 1.8% and 3.9% in 2022.

Thailand's economic recovery could slow down due to the current wave of COVID-19. Instability caused by the lengthy outbreak and new variants, along with paltry financial support, are not enough to get the economy back on track.

Huge numbers of businesses have shut down and laid off employees, especially within the service sectors. This has caused household debt to hit 90.5% of Thailand's GDP.

The road to economic recovery is to provide suitable vaccines for the new variants as soon as possible to control the severe widespread transmission and ensure that vaccines are available across the country. The government also needs to create policies for economic growth and appropriate compensation packages such as soft loans for businesses and citizens.





Conclusion

Property prices continue to decline due to the current wave of COVID-19, and the economic slowdown has significantly impacted consumer purchasing power. Developers have even delayed new project launches, especially for condominiums, and altered their sales strategy to the online market.

It's worth noting that condominiums account for most oversupply despite developers engaging in price wars and offering promotions to stimulate consumer purchasing.

Furthermore, the high purchasing power of domestic buyers and investors has already been absorbed, creating low supply absorption rates for the remainder of 2021.

Meanwhile, horizontal property such as single-detached houses and townhouses still capture the most attention, which is consistent with developers focusing their sights on this property type to respond to changing living habits as more employees work from home.

This is accordant with DDproperty's Thailand Consumer Sentiment Study, which indicates that 50% of consumers cite the size of the property as their main criteria when buying a house.

For consumers with sufficient purchasing power, 2021 still presents a good opportunity to invest in or buy residential property. For one, prices are lower because developers have maintained prices from the previous year. New projects are typically in areas outside Bangkok and close to current and future mass transportation lines.

Nevertheless, government policies that reduced land and building taxes and cheaper transfer ownership fees did little to stimulate the property market. Most consumers postponed their purchase due to the pandemic, the slow economy affecting household income, and political instability.

Ultimately, regaining the country's economy rests on supplying suitable vaccines. Vaccines need to be readily available across the country to avoid another lockdown, and as the government attempts to open the country.



About This Report

Buying a home can be one of the most difficult decisions of our lives. It is also likely to be the most expensive one too. When committing to purchasing property, it is important to make an informed choice for a confident investment.

DDproperty helps make this process easier for homebuyers since we are all potential homebuyers and homeowners. Therefore, we have created this report to help Thais better understand the mechanics of the property market, so buyers know their offer is in line with market sentiments or to understand when the right time is to make their purchase.

As the country's leading property site, DDproperty processes a vast amount of real estate data daily, providing us with the necessary data to crunch, and deliver in-depth insights to all Thai home seekers.

We study the property market throughout Thailand, in different locations, and across various property types, to provide a comprehensive, insightful overview of home pricing.

Methodology

Using a range of statistical techniques, the data from over 200,000 residential property listings on DDproperty.com are aggregated and indexed, demonstrating the movement of pricing due to supply. The DDproperty Thailand Property Market Index illustrates seller optimism and indicates the price level that real estate developers and homeowners expect to achieve for their respective properties.

Short term increases in the Index demonstrate sentiment buoyancy, while in the long term, the Index

indicates which part of the property cycle Thailand is in.

The Price Index is based on price levels as of Q1 2015. This means that all the levels are relative to the pricing of this period.

We complement the price levels with a view on supply volumes in the market through the number of property listings on DDproperty.com.

Our supply volume not only takes into account the residential resale supply, but also new launch supply in the Thai market.

About DDproperty

DDproperty is the No.1 property website in Thailand, with over 3.5 million monthly visits and over 700,000 home choices.

Voted "Top Brand in Online Property Search" by property seekers, DDproperty is the most preferred destination for Thais to find and own their dream home.

The company is part of [PropertyGuru Group](#), Asia's leading property technology company.

For more information, please visit www.DDproperty.com; www.PropertyGuruGroup.com or visit us on [Facebook](#), [Instagram](#), [Youtube](#), and [Linkedin](#)



PropertyGuru Group

REG	PropertyGuruGroup.com AsiaPropertyAwards.com AsiaRealEstateSummit.com
TH	DDproperty.com
SG	PropertyGuru.com.sg CommercialGuru.com.sg
MY	PropertyGuru.com.my
ID	Rumah.com RumahDijual.com
VN	Batdongsan.com.vn

Contact

For media or press inquiries, or to understand more about the DDproperty Thailand Property Market Index Q3 2021,
Please email mediaenquiry_th@ddproperty.com

Special Thanks

To Khun Kamolpat Sawaengkit for her contributions to the DDproperty Thailand Property Market Index Q3 2021.

Disclaimer

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, DDproperty.com/PropertyGuru Group does not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.