





BUY THAI

ALMOST CERTAINLY THE MOST POPULAR OF ALL ASIAN TOURIST DESTINATIONS AMONG EXPATS IN THE REGION, THAILAND'S WHITE SANDY BEACHES, SPARKLING BLUE WATERS, TROPICAL FORESTS AND AFFORDABLE FLIGHTS CONTINUE TO ATTRACT BRITISH EXPATS.

MANY BRITONS LIVING in Asia are familiar with Thailand's southern islands and accessibility from Hong Kong has led many to invest in holiday properties. But after recent political instability across the country, has Thailand now become too risky to invest in property or is now a great time to enjoy Thailand at a bargain price?

David Simister, chairman of property advisory firm CB Richard Ellis (CBRE) Thailand, says "Political instability has been part of Thailand for over five years now and during that time there have been peaks where disturbances have had a direct impact on inbound tourism. The troubles in the far south affect the three remote border provinces only, but have no impact on travel or investment in either Phuket or Samui."

Thailand's Prime Minister recently said that the country appeared to be back to normal after the lifting of a curfew imposed in the wake of deadly anti-government protests and Simister says that this has been reflected in property prices. He says "There's almost a dichotomy between politics and the economy. The months of June and July following the recent red shirt protest have shown businesses returning to normal levels of activity and talking to clients, colleagues and other consultants, this seems to be consistent throughout the economy. The Thai Baht remains strong and whilst Thailand has never offered the discipline of Singapore to an investor, people come here to invest because they like the country. In general, property prices, notably in Bangkok, continue to rise at a modest rate and fully reflect existing problems."

Simister believes that recent events haven't affected prices and there are many reasons to be confident in the long-term prospects. He says "Prices are continuing to rise at a modest rate and now is a better time to invest than tomorrow."

property

Thailand has one of the best infrastructures in Southeast Asia and a well-established industrial and manufacturing base and Bangkok is a surprisingly modern city. Along with other Southeast Asian economies, Thailand is still a growing economy.

Simister, who launched Conrad Koh Samui Residences in Hong Kong in March, says the most popular residences among expats are divided between the top-end oceanfront villas with a private pool in Phuket through to branded residential properties with guaranteed income – such as the Conrad Koh Samui

80% of the demand in the Hua-Hin market is local and only 20% from overseas, while overseas demand drives the residential markets in Phuket and Samui.

Phuket is a bigger volume market than Samui, supported by the size of the island, five to six times the number of visitors and higher prices. There's also very little prime beachfront land left available in Phuket. Simister says Samui is moving upmarket with the opening of Conrad Koh Samui at the year end and several other branded projects such as the Banyan Tree. The Baan Taling Ngam hotel in Samui recently sold for a

buyers purchasing off-plan or projects under development, there's always a degree of risk in completion. And it's important to work with competent property agents and lawyers who have the appropriate and relevant experience in the country.

Sellers should also understand there isn't the market volume and depth as in Singapore and Hong Kong. Simister says CBRE track all re-sales in condominium projects they handle in Bangkok and in 99% of cases, they note investors are realizing a profit on re-sale.



Residences which offer 7% guaranteed yield for 5 years. Condominiums in resort areas and Bangkok also continue to draw in a large volume of expatriate buyers.

LOCATION, LOCATION

The islands of Phuket and Koh Samui have direct flights from Hong Kong and

very good price to a Bangkok based Thai investor.

But buying property in Thailand isn't without risk. Foreign ownership of land is prohibited although long leases enable expatriates to own land with villas. The foreign freehold ownership limit in condominiums is 49% and there are no

“Prices are continuing to rise at a modest rate and now is a better time to invest than tomorrow.” David Simister, Chairman, CBRE Thailand

both remain popular with Hong Kong buyers, whilst Hua Hin has also seen significant investment in recent years.

The principle difference in the three resort areas is the target market. Up to

facilities to grant expatriates mortgages. Buyers should always be cautious when investing, whether they're buying the right quality of property and buying good title, in the case of landed properties. For

CONRAD KOH SAMUI RESIDENCES

The development is located on beachfront land in Phang Ka, on the southwest coast, surrounded by coconut plantations with views over the Gulf of Thailand and the Five Islands.

The residences are within 45 minutes' drive of Samui International Airport, with daily connections to Hong Kong. Villa owners can use a range of Conrad-branded resort facilities, including world-class dining, a swimming pool and signature spa, gym, secluded private beach and concierge services.

The 32 residential pool villas are part of the Conrad Koh Samui, due to open later this year. Two-bedroom and three-bedroom villas are priced from US\$1.3 million to US\$2.6 million.

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