

4Q21 BANGKOK OFFICE SNAPSHOT

MARKET OVERVIEW

BANGKOK OFFICE MARKET

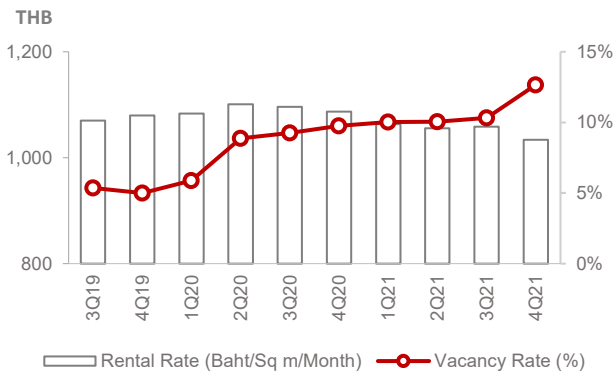
	Q2 21	Q3 21	12-Month Forecast
GDP Growth	7.6%	-0.3%	▲
CPI Growth	2.4%	0.7%	▲
Unemployment	2.8%	2.5%	▼

Source: NESDC (National Economic and Social Development Council)

Grade A CBD Market Indicators

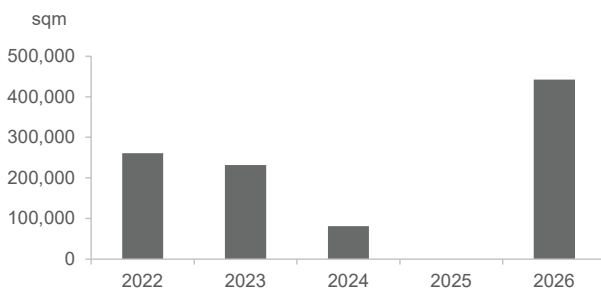
	Q3 21	Q4 21	12-Month Forecast
Overall Rent	THB1,058	THB1,034	■
Vacancy Rate	10.31%	11.36%	▲

Overall Rent and Vacancy Rate Grade A in CBD



Source: Nexus Research Advisory

Grade A CBD Supply Pipeline



Source: Nexus Research Advisory

Economy

The National Economic and Social Development Council (NESDC) states the Thai economy in the third quarter of 2021 contracted by 0.3% year-on-year compared with a 7.6% growth from the previous quarter. In the first nine months, the Thai economy expanded by 1.3%.

The NESDC is projected that the economy will be increased around 1.2% in the total year, gradual recovery from -6.1% in 2020. Furthermore, the economy in 2022 is expected to grow in the range of 3.5 - 4.5% which is mainly supported by the recovery in domestic demand and the regaining of the tourism sector.

Market Overview

With Bangkok's total office supply at approximately 6.36 million sq m, the overall vacancy rate climbed to 11.36% in Q4, up from 10.42% q-o-q. It is the highest rate since 2004. The overall citywide monthly average rental stood at THB792 per sq m, shrinking by 1.4% Y-o-Y (Grade A at THB954 per sq m and Grade B at THB684 per sq m).

Total Grade A stock in the CBD was at 1.71 million sq m. The vacancy rate also rose in Q4 to 12.64%, up from 10.31% in the previous quarter. Most of the submarkets were reached above 10% vacancy rate except Asoke-Ratchada and Ploenchit-Rama 1. The average monthly rate was dropped 2.30% Q-o-Q from THB1,058 to THB1,034 per sqm.

Outlook

It is expected that there will be a continuous increase in office supplies which could be 1.7 million square meters in the next 5 years. Over 90% of spaces are going to be A-grade offices leading to a tendency of increasing rent in the long run. Additionally, the old supplies will be lost in the process. However, the effect of the COVID-19 situation on the office market is significant resulting in unpredictable office demand.

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SUBMARKET	INVENTORY (SQM)	VACANCY RATE	PLANNING/UNDER CONSTRUCTION (SQM)	ASKING RENT		
				THB/SQM /MO	US\$/SF /MO	EUR/SQM /MO
GRADE A CBD						
Ploenchit - Rama I	453,200	8.91%	138,700	1,074	\$2.98	€28.25
Wireless - Lang Suan	269,300	12.43%	165,500	1,047	\$2.91	€27.54
Early Sukhumvit	79,200	10.74%	74,000	1,200	\$3.34	€31.57
Silom	73,500	26.56%	56,700	815	\$2.27	€22.44
Sathorn	494,700	15.92%	18,000	969	\$2.69	€25.50
Rama IV	390,600	11.50%	563,000	1,090	\$3.03	€28.68
Asoke - Ratchada	80,300	2.79%	-	950	\$2.64	€24.99
BANGKOK GRADE A CBD TOTAL	1,711,800	12.64%	1,015,200	1,034	\$2.87	€27.20
BANGKOK ALL GRADE CBD TOTAL	3,242,000	12.11%	1,086,500	857	\$2.38	€22.54
ALL GRADES OUTER CBD						
Ratchada – Rama IX	740,000	12.41%	5,000	718	\$2.00	€18.89
New Petchaburi - Pathunam	427,900	11.94%	-	681	\$1.89	€17.91
Phayathai - Paholyothin	372,700	5.11%	199,000	701	\$1.95	€18.44
Chatuchak - Ratchayothin	779,900	6.87%	106,600	634	\$1.76	€16.67
Mid - Sukhumvit	241,800	9.43%	103,000	980	\$2.73	€25.78
Onnut - Bangna	335,500	19.04%	140,000	692	\$1.92	€18.21
Rama III - Narathiwat	224,000	12.44%	79,600	588	\$1.64	€15.48
OUTER CBD TOTAL	3,121,800	10.57%	633,200	727	\$2.02	€19.13
BANGKOK TOTALS	6,363,800	11.36%	1,719,700	792	\$2.20	€20.84

US\$/THB= 33.4347; €/THB = 38.0104

Significant Projects Under Construction

PROPERTY	ZONE	SUBMARKET	SQM	COMPLETION DATE
One City Centre	CBD	Ploenchit - Rama I	61,000	2022
Vanissa Building	CBD	Ploenchit - Rama I	24,720	2022
140 Wireless	CBD	Wireless - Lang Suan	22,500	2022
O-NES Tower	CBD	Early Sukhumvit	43,000	2022
Park Silom	CBD	Silom	56,700	2022
Vanit Place@Aree	Outer CBD	Phayathai - Paholyothin	33,000	2022
The Unicorn Phayathai	Outer CBD	Phayathai - Paholyothin	22,000	2022
101 True Digital Park 2	Outer CBD	Onnut - Bangna	30,000	2022
One Bangkok – 1 st Phase	CBD	Rama IV	201,000	2023
Central Park Offices	CBD	Rama IV	63,000	2024



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