

2H22 BANGKOK OFFICE SNAPSHOT

MARKET OVERVIEW

BANGKOK OFFICE MARKET

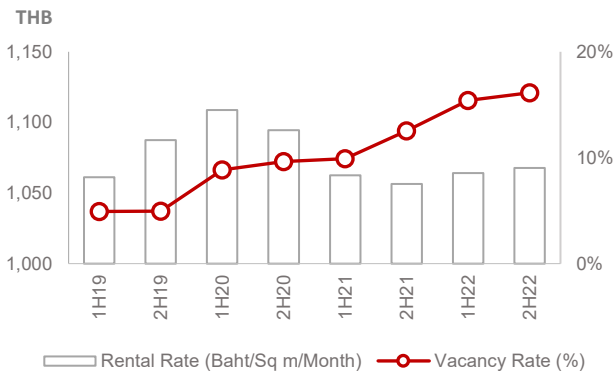
	Q2 22	Q3 22	12-Month Forecast
GDP Growth	2.5%	4.5%	▲
CPI Growth	6.5%	7.3%	▲
Unemployment	1.3%	1.2%	▼

Source: NESDC (National Economic and Social Development Council)

Grade A CBD Market Indicators

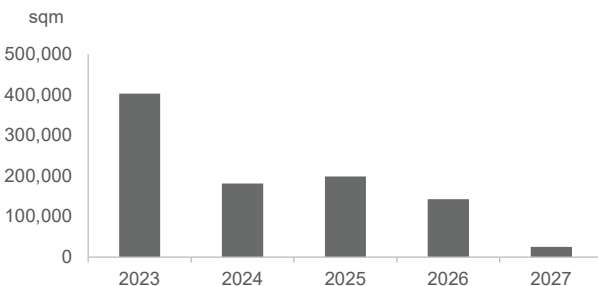
	H1 22	H2 22	12-Month Forecast
Overall Rent	THB1,064	THB1,067	■
Vacancy Rate	15.31%	17.80%	▲

Overall Rent and Vacancy Rate Grade A in CBD



Source: Nexus Research Advisory

Grade A CBD Supply Pipeline



Source: Nexus Research Advisory

Economy

According to the Nation Economic and Social Development Council (NESDC), the Thai economy in Q3 2022 grew by 4.5%. The expansion was partly from the ease of the COVID-19 restrictions, which allowed daily activities and other businesses to resume at the same level as the pre-pandemic situation. Consequently, the number of international arrivals has improved continually to more than 10 million visitors in the total year, 10 million higher than the expectation. The Tourism Authority of Thailand (TAT) expects the overall foreign visitor numbers to reach 20 million next year. As a result, NESDC projected that the economy would enlarge by 3.2% in 2022.

Market Overview

There are approximately 6.69 million square meters of total office supply with about 14.56% vacancy rate. The vacancy rate continually escalated from 12.37% in the second quarter whereas the average monthly rate grew by 1.34% Y-o-Y to around THB805 per sqm.

Focused on the CBD area, the total supply stood at about 3.34 million sqm which approximately 1.78 million sqm are A-Grade spaces. The A-Grade monthly average rental was THB1,062 per sqm, which increased 0.53% Y-o-Y. Although the B-Grade rate was at THB733 per sqm per month, marked up 0.83% Y-o-Y. Similar to the citywide, the A-Grade vacancy rate rose to 16.12% from 12.54% Y-o-Y despite to B-Grade recovery from 11.52% to 10.65% Y-o-Y.

Outlook

Almost 1 million sqm of A-Grade fresh supply in the CBD alone will be introduced to the market by 2027. As a result, the vacancy rates tend to be elevated but in slower pace. However, almost 400,000 sqm of A-Grade will be added to the CBD market in 2023. It should be kept an eye close on, especially the take-up rate in the coming year.

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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	349,000	14.13%	139,000	1,152	\$3.07	€31.15
Wireless - Lang Suan	292,000	18.14%	143,000	1,070	\$2.85	€33.80
Early Sukhumvit	122,000	24.55%	31,000	1,250	\$3.33	€33.80
Silom	52,000	33.65%	56,700	930	\$2.48	€25.15
Sathorn	495,000	17.49%	18,000	939	\$2.50	€25.38
Rama IV	391,000	11.89%	563,000	1,038	\$2.77	€28.06
Asoke - Ratchada	80,000	5.36%	-	950	\$2.53	€25.69
BANGKOK GRADE A CBD TOTAL	1,837,000	17.80%	950,700	1,068	\$3.04	€28.30
BANGKOK ALL GRADE CBD TOTAL	3,339,000	13.57%	1,009,700	869	\$2.32	€23.49
ALL GRADES OUTER CBD						
Ratchada – Rama IX	779,000	17.40%	105,000	739	\$1.97	€19.99
New Petchaburi - Pathunam	427,900	16.80%	17,000	679	\$1.81	€18.36
Phayathai - Paholyothin	372,700	5.29%	196,500	677	\$1.80	€18.29
Chatuchak - Ratchayothin	833,900	12.10%	158,600	685	\$1.83	€18.52
Mid - Sukhumvit	289,400	8.54%	145,500	986	\$2.63	€26.66
Onnut - Bangna	425,500	31.74%	32,000	714	\$1.90	€19.31
Rama III - Narathiwas	224,000	14.93%	40,000	592	\$1.58	€16.00
OUTER CBD TOTAL	3,352,400	15.55%	694,600	743	\$1.98	€20.10
BANGKOK TOTALS	6,691,700	14.56%	1,704,300	806	\$2.15	€21.79

US\$/THB= 34.8505; €/THB = 36.9799

Significant Projects Under Construction

PROPERTY	ZONE	SUBMARKET	SQM	COMPLETION DATE
One City Centre	CBD	Ploenchit - Rama I	61,000	2023
Siam Pathumwan House	CBD	Ploenchit - Rama I	53,000	2023
Park Silom	CBD	Silom	56,700	2023
One Bangkok – 1 st Phase	CBD	Rama IV	201,000	2023
EmSphere	Outer CBD	Mid - Sukhumvit	20,000	2023
MARCHE 55	Outer CBD	Mid - Sukhumvit	14,000	2023
Vanit Place@Aree	Outer CBD	Phayathai - Paholyothin	33,000	2023
The Unicorn Phayathai	Outer CBD	Phayathai - Paholyothin	22,000	2023
Central Park Offices	CBD	Rama IV	63,000	2024
JRK Tower	CBD	Phayathai - Paholyothin	47,000	2024



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