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AUGUST 2010



CONDOMINIUM FOCUS THAILAND

UPDATE OF INNER-CITY BANGKOK AND PATTAYA



RAIMON LAND

...developing a better environment

Introduction

It is a pleasure to present you with the latest edition on Raimon Land's Condominium Focus Thailand. We trust this most recent issue provides the relevant information prospective buyers need concerning when to buy, where to buy and current market values for condominiums in both Bangkok and Pattaya.

It has by no means been an easy year for the market, but it continues to demonstrate remarkable resilience, offering opportunities to condominium buyers and developers alike.

Thailand is rising up the list in the Global Real Estate Transparency Index, a survey of 81 countries worldwide showing the Kingdom moving up six places to 39th in the 2010 survey that covers investment risk – and we hope that through research documents such as this we can play a role in continuing to raise the standards of the industry and its professionalism.

Methodology

The information contained in this report covers condominium projects launched since 2003 in Bangkok and Pattaya that have a majority of units priced at over two million baht. Raimon Land collects this data on a monthly basis by surveying the projects listed in the publication through a variety of sources, comprised of site visits, mystery shopping/calls, interviews, press articles, investor research on listed companies and other research agency reports.

The data catchment area of inner-city Bangkok includes Sukhumvit, Silom/Sathorn, Central Lumpini, and Riverside locations. Whereas in Pattaya, we include the areas from Naklua in the north of Pattaya down to Na Jomtien in the south of Pattaya. The definition of "urban area" in Pattaya refers to the project being located downtown or adjacent to a residential community with no seaview or a partial seaview (but not beachfront).

For more information on the data and/or methodology included in this report, please contact the Raimon Land Research Team at +66 (0) 2651-9600.

This document can be downloaded from www.raimonland.com.

Disclaimer

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Delivering Asia Communications

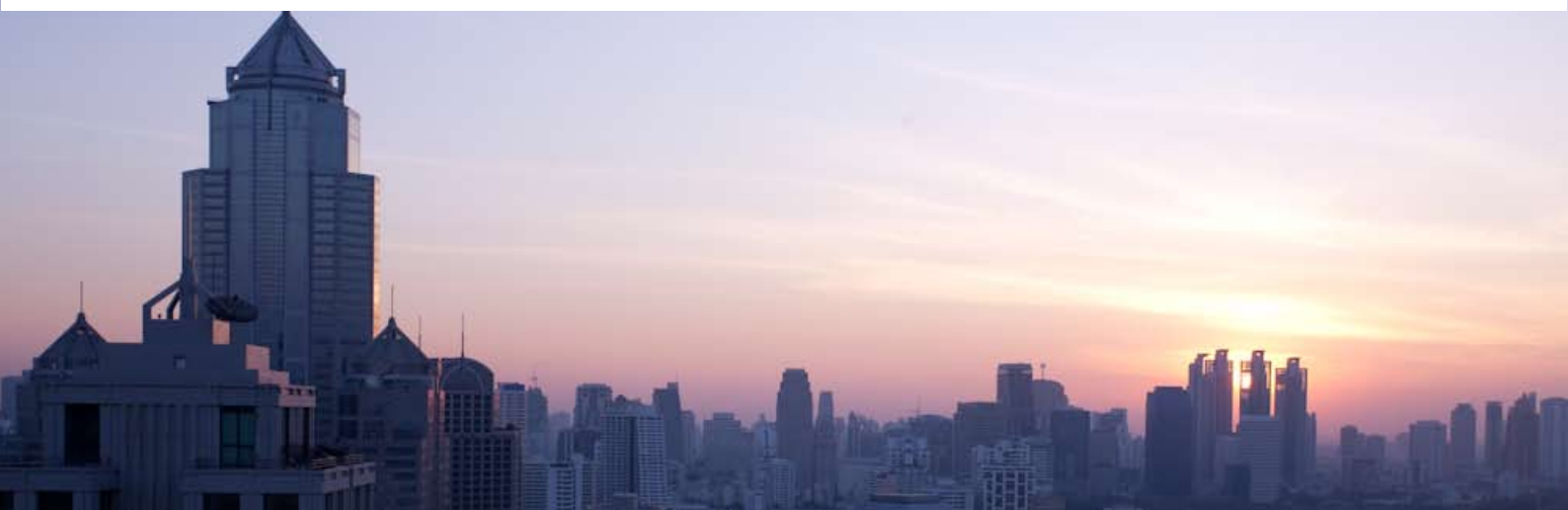
Produced and compiled with the assistance of Mark Armsden and David Johnson from Delivering Asia Communications
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MACRO TRENDS AND ECONOMIC INDICATORS



Key Economic Indicators

INDICATORS	Q2/09	Q3/09	Q4/09	Q1/10	Q2/10	QoQ % Change	Q2/09	Q2/10	YoY % Change
GDP									
Real GDP %	-4.9	-2.7	5.9	12.0	9.1	0.2	-4.9	9.1	9.1
INFLATION									
Consumer Price Index % Y-O-Y	-2.8	-2.2	1.9	3.8	3.3	1.0	-2.8	3.3	3.3
Core Inflation % Y-O-Y	-0.1	-0.5	0.1	0.4	0.9	0.4	-0.1	0.9	0.9
TRADE INDICATORS									
Exports (USD million)	33,986	40,869	42,870	43,983	48,146	9.5%	33,986	48,146	41.7%
Imports (USD million)	30,089	35,595	40,197	41,850	43,501	3.9%	30,089	43,501	44.6%
Trade Balance (USD million)	3,897	5,274	2,673	2,133	4,645	117.8%	3,897	4,645	19.2%
FINANCE									
Exchange Rate (THB/USD)	34.7	34.7	33.3	32.85	32.33	1.2%	34.68	32.33	6.8%
Exchange Rate (THB/EUR)	47.21	47.21	49.14	45.51	41.13	7.4%	47.21	41.13	12.9%
MLR %	5.85	5.85	5.85	5.85	5.85	0%	5.85	5.85	0%
CONSUMER CONFIDENCE									
Consumer Confidence Index	72.5	75.6	77.7	77.3	77.1	-0.3%	72.5	77.1	6.3%
Auto Sales (Units)	123,654	135,053	182,387	166,802	189,890	13.8%	123,654	189,890	53.6%
New Housing Registrations in Bangkok Metropolis and Vicinity	22,714	23,295	26,718	28,005	N/A	N/A	22,714	N/A	N/A

Source: Bank of Thailand, National Economic and Social Development Board, Toyota Motor, Thai Chamber of Commerce University, and Stock Exchange of Thailand, Ministry of Commerce, Real Estate Information Centre, Office of Tourism Development of Thailand

GDP

Thailand has performed well in 2010 so far with a Gross Domestic Product expanding by 9.1% in Q2/10.

Inflation

Consumer Price Index increased 3.3% in Q2/10, along with core inflation, which saw a year-on-year growth of 0.9%.

Trade

By the end of Q2/10, trade balance had a surplus of USD 4.6 billion, exports were up 41.7% and imports up 44.6%.

Currency

The Thai Baht continued to appreciate against all major

currencies, averaging THB 32.33 to the dollar and THB 41.13 to the euro on-year at the end of Q2/10.

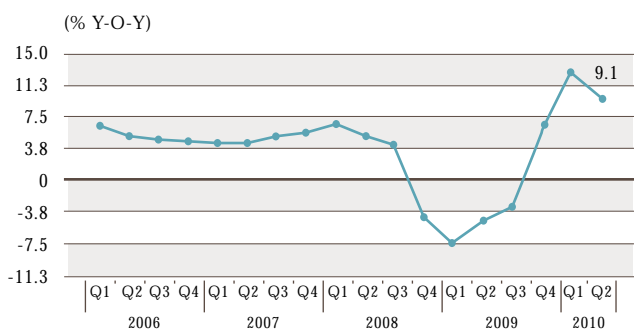
Finance

The Bank of Thailand had maintained its interest rate policy imposed since February 2009 at 1.25% until the end of Q2/10. However, rose to 1.5% in July and the Minimum Lending Rate now standing at 6.0% per annum.

Market Confidence

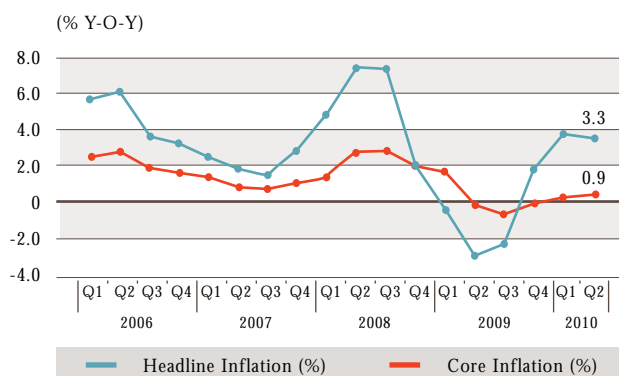
The Consumer Confidence Index rose 6.3% year-on-year reaching 77.1 in Q2/10, with auto sales up 53.6% and housing registrations up 31.5% in Jan-May 2010.

Real GDP Growth



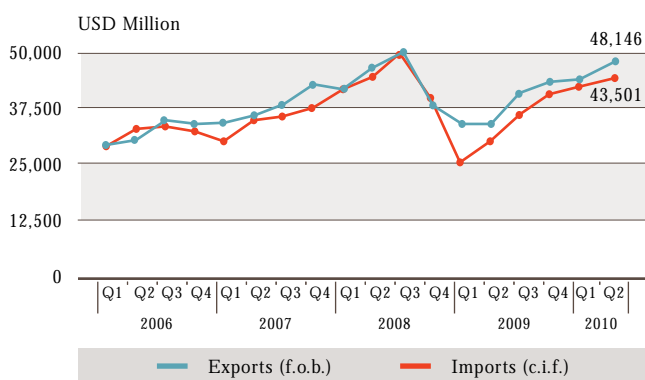
Source: The Office of National Economic and Social Development Board

Inflation Rate



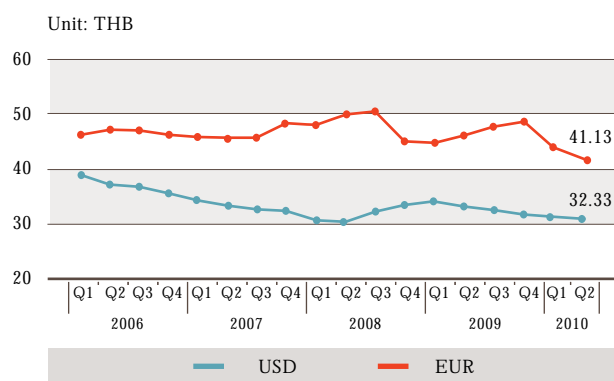
Source: Ministry of Commerce

Import/ Export (USD Million)



Source: The Office of National Economic and Social Development Board

Currency (THB/USD and THB/Euro)



Source: Bank of Thailand

After a sustained period of negative growth from the beginning of the global financial turmoil in Q4/08, Thailand's economy grew 12% year-on-year in Q1/10, second only to Singapore who reported 15.5% growth. China (+11.9%), India (+8.6%) and Hong Kong (+8.2%) followed in third, fourth and fifth positions.

Thailand's economic resilience lies in its reliance on exports, making up 56% of the country's GDP, with main partners throughout a fast-growing region. Southeast Asia account for 16.7% of Thailand's export trading partners, compared to Japan (10%), USA (9.7%) and Europe (9.8%). The export industry continues to climb, rising 9.5% from the previous quarter and 41.7% year-on-year. The most active export sector in Thailand is manufacturing, with global demand for electrical materials, electronics and appliances continues to rise. Thai exports have been boosted by ongoing support from major export partners, with Southeast Asia driving Thailand's economic growth.

Tourism is also a central economic driver for Thailand and a successful high season (November to February) is vital as it employs 15% of the Thai population. Despite street protests in Q2/10 slowing the momentum of tourism arrivals, the first six months of the year were very encouraging, with 7.5 million international tourist arrivals, up 14% from last year. As a result

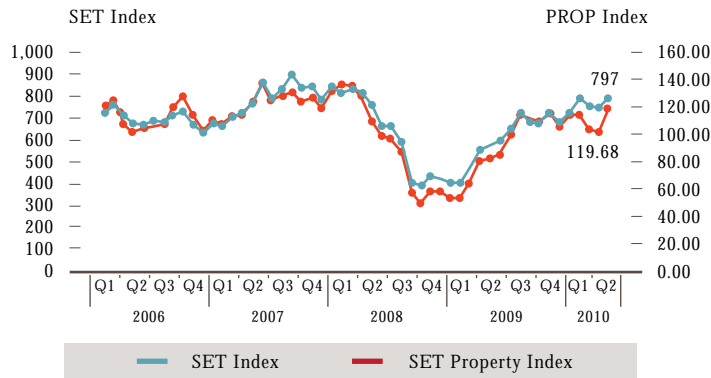
hotel occupancies in Q4/09 and Q1/10 grew overall to 54.1% and 60.7% respectively. This along with a 28.4% increase in the hotel services sector (catering, laundry, venue management) helped provide a boost to the country's overall economy.

Despite political unrest, most analysts forecast a GDP in the range of 5% to 6% for the year 2010 based on strong fundamental growth in recent months. The policy interest rate rose from 1.25% to 1.5% in July after 14 consecutive months of unchanged policy, and it is expected to rise further up to 2% by the end of the year if inflation remains around 3% to 4%.

The Minimum Lending Rate consequently rose from 5.85% to 6%. Core inflation rose steadily from 0.1% year-on-year in Q4/09 to 0.9% in Q2/10. Headline inflation rose 3.3% year-on-year in Q2/10, manifesting in the increase in consumer spending power along with the price of volatile commodities such as oil and raw food products - rising by as much as a 26% year-on-year for some items.

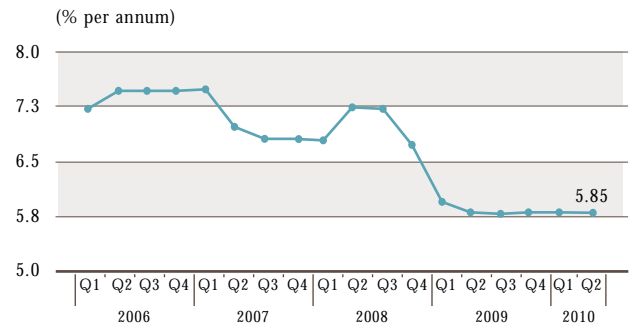
Real Estate Indicators

SET & PROP Indexes



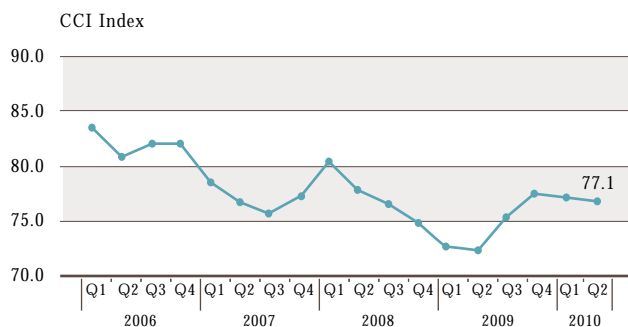
Source: Stock Exchange of Thailand

Minimum Lending Rate



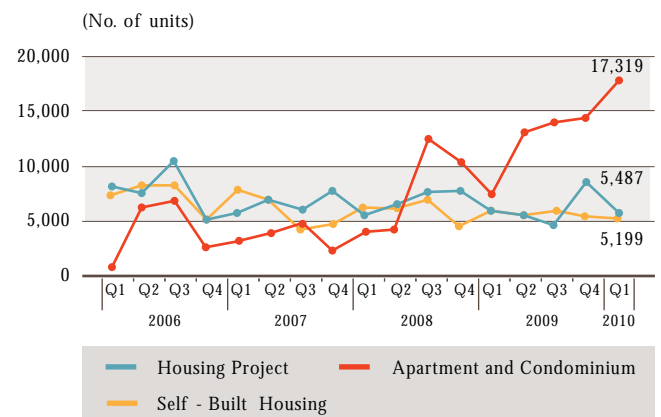
Source: Bank of Thailand

Consumer Confidence Index



Source: The Centre of Economics and Business Forecasting

New Housing Registrations In Bangkok And Vicinity



Source: Bank of Thailand

At the end of June the Stock Exchange of Thailand (SET) index moved past the 800 mark for the first time since April 2008, indicating 33% year-on-year growth, which can be attributed to the rapid recovery of many Asian markets and major export partners from the economic downturn. Domestic economic incentives from the Thai government have also played a part in the recovery.

Other major Asian markets have also seen a rise in Index value (or index value) but at a slower pace. Over the same period the Singapore Straits Times Index and Hong Kong's Hang Seng Index have risen 21.5% and 9.5% respectively. Other major indices such as the United States' Dow Jones Index and the UK's Financial Times Stock Exchange both grew 15%.

Property tax and transfer incentives, which expired at the end of June this year, helped boost the property market, with many home buyers purchasing and transferring properties to take

advantage of the scheme. This in turn helped developers to clear their existing stock. Housing registrations for the first five months of 2010 were up 31.5% y-o-y to 37,004 units, with apartment and condominiums making up over 20,000 units of the total registrations.

Improving consumer confidence and the subsequent increasing demand for property has led to more than 100-billion-baht-worth of property sales recorded in 2009, closing the PROP Index at 100.54 at the end of 2009; double the previous year's total.

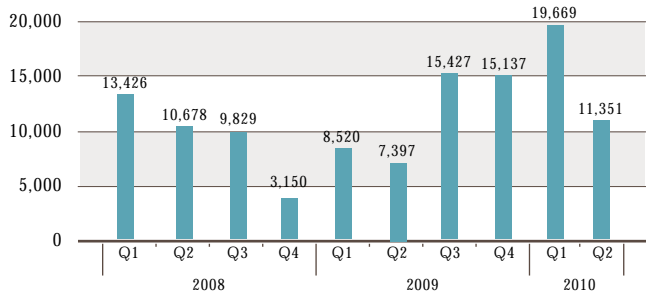
The Consumer Confidence Index (CCI) in Q2/10 closed at 77.1, improving 6% year-on-year from 2009 after rebounding from a low of 72.5. During the political tension in May. Motor vehicles sales remained strong, posting 356,692 sales in H1/10 versus 231,428 a year earlier.

Condominium Development Indicators



Presales Of Condomiums - Listed Developers

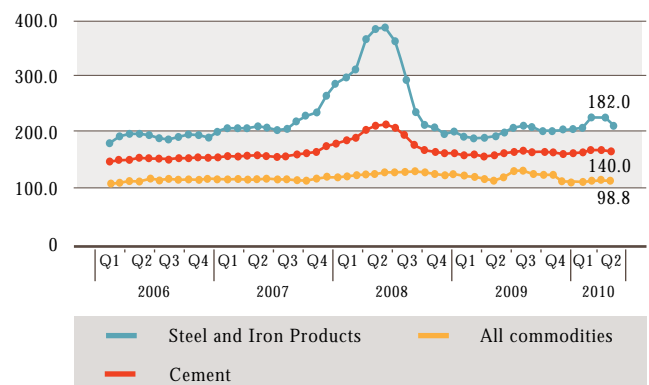
(THB Million)



Source: Stock Exchange of Thailand, company reports

Construction Material Price Index

Base 100: Year 2000



Source: Ministry of Commerce

Demand for condominiums remains strong as this sector was one of the first property markets to recover, with major stock-exchange listed developers recording, higher-than-expected condominium presales of THB 31 billion in H1/10, up from THB 15.9 billion in H1/09 and THB 30.6 billion in H2/09.

Condominium sales reached a new high in Q1/10, topping THB 19.7 billion, followed by another THB 11.3 billion in Q2/10. Low- to mid-end developers continue to dominate the market this year, with THB 20 billion worth of presales already recorded. The other THB 11.0 billion was from mid- to high-market sales, demonstrating continuing healthy demand for this segment.

The important Construction Material Price Index rose 3.8% in the 12 months to the end of June, mainly due to a rise in the cost of metal and steel products. The Land Price Index published by the Bank of Thailand also moved up 1.7% with new transactions achieving between THB 1.0 to THB 1.5 million per square wah

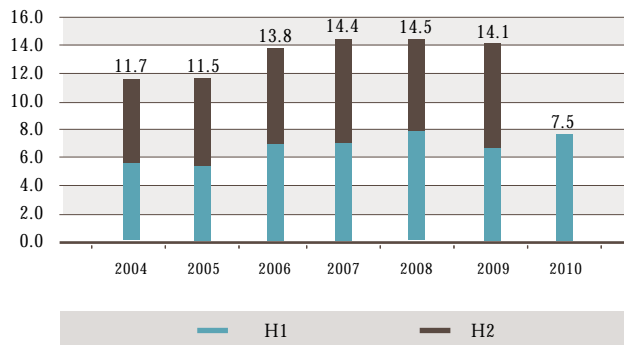
in prime locations and over THB 500,000 per square wah in second-tier areas (1 square wah = four square meters).

From January to May 2010, the number of newly completed apartment and condominium registrations in the Bangkok metropolitan area and neighbouring vicinities was 20,393 units, up from 11,296 units over the same period last year. The government tax incentive on new transfers has definitely played a key role in fuelling the industry, but it is also worth noting the fundamental growth of the “apartment and condominium” sector which, for the first time ever, exceeded the number of landed houses’ registrations. That clearly signifies changes in buyer trends and lifestyles, which has led to increasing demand for “compact” residential units. This demand has been driven by an increase in units on mass-transit routes, which are smaller and affordable, reflecting how more urban buyers look for convenience in their working and social lives, a trend that has been fuelled by strong marketing campaigns and banking support.

Tourism Indicators

Number Of International Tourist Arrivals To Thailand

(No. of tourists in Million)



Source: Office of Tourism Development

International arrivals reached 7,515,025 in H1/10, a significant 14% year-on-year growth, although this can partly be attributed to low number of international arrivals in the same period last year. The return of international visitors to Thailand and rapid recovery of the tourism industry following the political disturbances in April and May signifies both confidence in the destination and an improving global economy.

Tourism has also been boosted by the increase in the number of flights offered by international airlines from major key markets, such as Australia, Japan and Singapore. East Asian tourists made up the biggest share of the total number of visitors to Thailand

Number Of International Tourist Arrivals By Origin

ORIGIN	H1/10	H1/09	% CHANGE
East Asia	3,670,667	3,250,420	12.93%
Europe	2,279,937	1,967,920	15.86%
The Americas	431,381	416,228	3.64%
South Asia	446,935	385,337	15.99%
Oceania	367,540	328,538	11.87%
Middle East	261,657	214,114	22.20%
Africa	56,908	46,756	21.71%
Total	7,515,025	6,609,313	13.70%

Source: Ministry of Tourism and Sports

in H1/10 with 3.7 million, followed by Europeans with 2.3 million, recording growth of 13% and 16% respectively.

The increase in international arrivals has also had a major knock-on effect within the hospitality sector, with hotels and restaurants growing 27.4% and 9% respectively.

Even though the total number of international arrivals is expected to be impacted by the local unrest earlier this year, international arrivals are expected to be between 14 to 15 million. Tourism industry should rapidly recover and continue its growth.

Market Perception-Tourism



By Phornsiri Manoharn
Former Governor
Tourism Authority of Thailand

What are the three key challenges moving forward for Thailand's tourism industry and how can they be tackled?

I believe that we have both the substance and products to recover very quickly as a destination following the political

disturbances earlier this year. Our image of friendless, that helped us receive recognition from the Future Brand Index for our high levels of service and hospitality - has been damaged. To tackle this, firstly we need to restore confidence and let the world know we are once again ready to welcome tourists of all nationalities. We are doing this by hosting media and travel trade partner professionals from throughout the world to let them experience and see first hand that Thailand has not changed and is still a wonderfully friendly and diverse country to visit time and time again. This will also solve the challenge we are facing with some foreigners questioning Thailand's safety and security after travel warnings were imposed on us during the height of the troubles. A key longer-term challenge is to ensure that our tourism industry grows sustainably, supporting local communities and the environment, while encouraging tourists to come back repeatedly and eventually retire here, as many enjoy the climate, food, destinations and the wonderful hospitality we are able to provide.

What are the emerging source markets for tourism and how have the traditional ones performed?

The emerging markets are predominantly the Middle East, Russia and Eastern Europe,, as well as the future mega markets of India and China that are currently visiting the Kingdom in

significant numbers. Due to the size of the markets and their proximity to Thailand we believe there is plenty of room for growth from emerging economies. Our traditional markets, such as the UK, Germany and Scandinavia, continue to support us, as they know the destination well. Many tourists who have visited a number of times are less put off by political troubles in Bangkok. Tourists from Hong Kong and Singapore have also returned very quickly, as they too are familiar with the country. This is a great sign, as there is enormous potential if we concentrate more on the Asian market; a region that has not suffered the financial traumas of the West – and the countries in the Greater Mekong Sub-region and ASEAN will provide strong arrival figures in the long term.

What is the tourism forecast for 2010 and how do you see it developing over the next three years?

It has been very encouraging to see the fast return of charter flights and airlines scheduling both new routes and frequencies, so the future looks bright. It is very difficult to forecast for this year so soon after the political incidents but I would be surprised if we did not reach 14.5 million visitors and 550-billion baht in

revenue. In 2011, we should see 15.5-million arrivals and 600-billion baht levels in tourism-generated revenue – and strong average lengths of stay.

What is your long-term view on Thailand as a tourism destination?

I believe that over the next 20 years Thailand will become one of the world's most important destinations, particularly as our position and reputation as the world's leading health and wellness destination increases and consolidates. In many ways we are already high on people's lists of destinations visit, but it is important that we raise our standards in product diversity and high-end accommodation options to establish clearly defined positioning in the minds of consumers. Most importantly, we need to create a brand that personifies the country, highlighting the credentials and values started with our "Amazing Thailand" campaign. We can exceed our goals and expectations.



*By Wayne Buckingham
Regional Vice President
Thailand, Vietnam, Cambodia and Singapore
Starwood Hotels and Resorts*

What are the three key challenges moving forward for Thailand's hospitality sector and how can they be tackled?

Stability and security in Thailand are the greatest challenges, as these are required to get tourists and business to return to the country. The difficulties we are facing are creating downward pressure for pricing in the hospitality sector, especially in wholesale markets. As business demand declines there is a tendency towards price-cutting to generate cash flow and this will impact upon yields, which will take some time to return to pre-crisis levels. Moreover, in the next two years there is a supply spur of hotels being opened in Bangkok, which will exacerbate the problem. The marketing of the destination is now back to normal, though and the message that Thailand is still a great place to visit will be supported by the private sector in cooperation with the Tourism Authority of Thailand.

What are the emerging source markets for guests and how have the traditional ones performed?

In the short-term we are looking at India and the Middle East, and of course China, although there are still travel restrictions for some Chinese travelling to Thailand. Traditional markets have dropped with the political instability. Moving forward we will be putting greater emphasis on driving domestic business as Thais and expatriates living in Thailand travel again - and in stimulating the pent-up demand in the Asia region.

What is your forecast for 2010 and will you be opening any new hotels in this current climate?

Unfortunately, we expect results to be worse in 2010 than last year for hotels in Bangkok and hotels in Northern Thailand. Resort numbers are trending lower than expected. However, we are optimistic that the resort business will pick up in the last quarter. Starwood is expecting to open six hotels this year: the W Retreat and residences in Koh Samui, Westin Siray Bay and Four Points by Sheraton, Makham Bay in Phuket, Four Points by Sheraton Soi 15, Aloft Soi 11 and the St. Regis Bangkok.

Do you feel branded residences will play an increasingly important role in the property industry and, if so, why?

Yes, I do, as it is expensive to build a hotel. Having branded residences will help to generate cash-flow for the owner when they are sold and the branding gives owners a feeling of living a designer lifestyle with hotel services available on their doorstep. The short-term ability to sell residences will be impacted by the instability we have been through.

What is your long-term view on Thailand as a tourism destination?

Thailand has always been a resilient tourist destination representing good value and delivering memorable experiences. I have confidence it will recover after the travel warnings come off and people see a period of stability.

INNER-CITY BANGKOK CONDOMINIUMS



● SILOM / SATHORN

The Silom/Sathorn financial district sweeps southwest from Central Lumpini and Soi Yennakart to the Chao Phraya River. Silom and Sathorn Roads cut through the middle of the community, from Rama IV Road to the river, with Narathiwat and Chan Roads adjoining the southern border of the area and Surawong Road bordering the north. The BTS sky train and MRT subway serve much of the region.

● SUKHUMVIT

The prime Sukhumvit region in Bangkok's inner north-east is bordered by Rama IV Road to the south and Petchaburi Road to the north. It covers the area from Wireless Road to Sukhumvit Soi 71 in Phra Khanong. Sukhumvit Road and the BTS sky train bisects the district from east to west, traversing the city's up-and-coming commercial and retail zones.

● RIVERSIDE

Bangkok's exclusive Riverside district includes the Chao Phraya's east and west banks in the Silom/Sathorn and the Thonburi areas respectively. The area is famed for the parade of five-star hotels lining its shores. Running north to south, the west bank is bordered by the Krungthep and Taksin bridges, while the east bank is sandwiched between Charoenkrung and Rama III Roads.

● CENTRAL LUMPINI

The Central Lumpini region adjoins Sukhumvit in the city centre at Lumpini Park, Rajadamri Road and Lang Suan Road and west down to the Chidlom shopping district. The area is also home to the sprawling Lumpini Park and numerous high-end dining and entertainment venues.



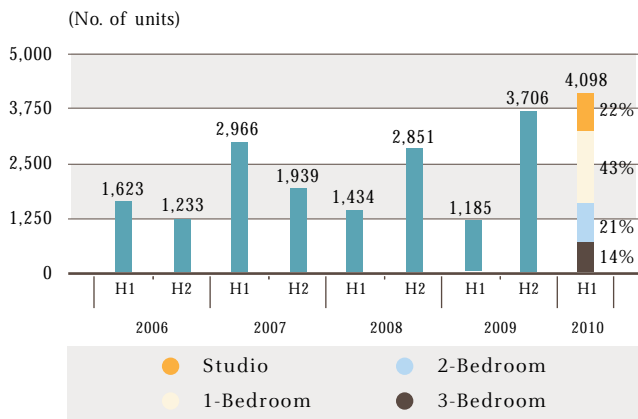
List Of Completed Condominiums Projects (2009-H1/10)

PROJECT	DEVELOPER	NUMBER OF UNITS	COMPLETION DATE
SUKHUMVIT			
Ideal 24	Benja Garden Co., Ltd.	34	Q1/09
Issara@42	Charn Issara Plc.	69	Q1/09
Siri on 8	Sansiri Plc.	74	Q1/09
The Amethyst 39	Pramesiri Development Co., Ltd.	79	Q2/09
Vincente	KPN Lifestyle Co., Ltd.	35	Q2/09
Life@Sukhumvit 67	Asian Property Development Plc.	78	Q3/09
The Wind Sukhumvit 23	Major Development Plc.	220	Q3/09
Eight Thonglor	Pacific Star International (Thailand) Ltd.	196	Q4/09
Emporio Place	TCC Capital Land Limited	360	Q4/09
Noble Solo	Noble Development Plc.	572	Q4/09
Siri@Sukhumvit	Sansiri Plc.	460	Q4/09
The Prime Sukhumvit 11	Frangrant Real Estate Development Group Co., Ltd.	212	Q4/09
Villa Sikhara	Sikhara Kotobuki Property Co., Ltd.	64	Q4/09
Aguston	Major Development Plc.	269	Q1/10
Life@Sukhumvit	Asian Property Development Plc.	540	Q1/10
Millennium Residence	C.D.L. Singapore	604	Q1/10
Hive Sukhumvit 65	Sansiri Plc.	124	Q1/10
Noble Remix	Noble Development Plc.	504	Q1/10
18 Projects		Total: 4,494	
SILOM/SATHORN			
The Bangkok Residences	V.C.A.L. Business Group Co., Ltd.	180	Q1/09
The Met	Hotel Properties Ltd.	370	Q2/09
Ivy Sathorn	Pruksa Real Estate Plc.	291	Q4/09
Life@Sathorn 10	Asian Property Development Plc.	286	Q4/09
Amanta Lumpini	Narai Property Co., Ltd.	289	Q1/10
The Surawong	Chewathai Hub Soon Ltd.	52	Q1/10
The Treasure Silom	Lee Property Co., Ltd.	71	Q1/10
7 Projects		Total: 1,539	
CENTRAL LUMPINI			
The Address Chidlom	Asian Property Development Plc.	597	Q2/09
The Rajdamri	Pan Thai Real Estate Co., Ltd.	278	Q2/09
Preen	Sansiri Plc.	26	Q3/09
Hunsar Rajdamri	Somhansa Ltd.	196	Q1/10
Renova Residence	Baanrommaicondo Co., Ltd.	62	Q1/10
O2 Hip	Ocean Property Co., Ltd.	48	Q2/10
Royal Maneeya Executive Residence	Maneeya Development Co., Ltd.	71	Q2/10
7 Projects		Total: 1,278	
RIVERSIDE			
Anantra The River	Fine Home Co., Ltd.	186	Q1/09
Supalai Casa Riva Vista 2	Supalai Plc.	224	Q4/09
Ivy River	Pruksa Real Estate Plc.	1,268	Q1/10
3 Projects		Total: 1,678	
GRAND TOTAL		8,989 UNITS	

New Supply - Completions

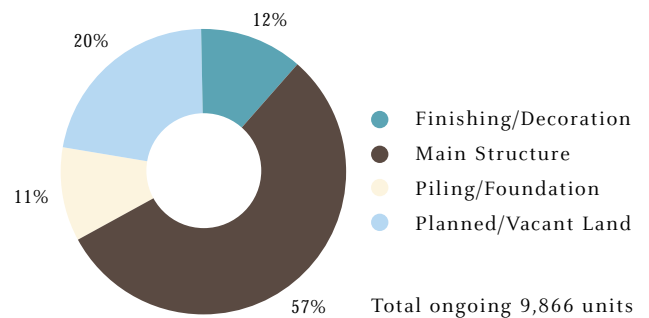


Breakdown Of New Completions By Unit Type



Source: Raimon Land Research

Breakdown Of Future Condominiums Units By Stage Of Development



Source: Raimon Land Research

In the first half of 2010 there were 4,098 new unit completions throughout Bangkok's inner-city areas. This was the highest number ever recorded in a six-month period, bringing the total condominium supply to 60,881 units with a growth of 7% on overall stock compared with 2009. A six month period growth in the number of completions can be attributed to the large number of launches during the real-estate boom years of 2006 and 2007. In total, 13 projects were completed in H1/10, including Amata Lumpini, Ivy River and Millennium Residence. This number was higher than expected, as developers pushed to complete their projects on time and, for some, in advance - to ensure they could benefit from government special - business tax incentives that expired in first half of this year.

Sukhumvit remains the area with the most supply in H1/10, with five new projects being transferred, including Aguston, Millennium Residence, Noble Remix, Hive Sukhumvit and Life@Sukhumvit, accounting for 50% of the total units completed in Bangkok inner-city in H1/10. The majority of these new completions were single-bed units, with over 65% of the total completions were either studio or one-bedroom units.

Despite the strong take-up rate of 75%, a total of 1,015 units remain unsold, which will put pressure on developers to clear completed inventory, as the resale market is expected to be very competitive.

The pipeline of condominiums under development remains robust with an additional 9,866 units under construction, which will ensure a steady roll-out of inventories until 2013. Nevertheless, relatively low numbers of project completions are expected in H2/10, with only 1,482 units expected to be completed, including some high-end projects, - such as St. Regis, Q Langsuan, and Prive by Sansiri. All of which have an average price of over THB 180,000/sq.m.

Of the 37 ongoing projects in Bangkok's inner-city, 57% have their main structures under construction, while another 12% are in the finishing and decoration stage and are expected to be transferred by the end of this year. Of the total 9,866 units in the projects under development, 75% have been taken up, with 2,473 units remaining unsold.

Resale And Rental

Selected Resale Condominium Units In H1/10

PROJECT NAME	UNIT TYPE	UNIT SIZE (sq.m)	LAUNCHED PRICE (THB)	RESALE PRICE* (THB)	CAPITAL GAIN (%)
The Address Chidlom	Studio	42	4,326,000	5,413,800	25.1%
The River	2-BR	76	7,980,000	9,120,000	14.3%
The Met	2-BR	92	11,040,000	12,420,000	12.5%
Noble Solo	1-BR	66.6	5,031,000	5,550,000	10.3%
The Emporio Place	1-BR	68.5	7,192,500	7,900,000	9.8%
Siri@Sukhumvit	2-BR	69	7,300,000	8,000,000	9.6%
39 by Sansiri	1-BR	55	7,040,000	7,600,000	8.0%
Siri@Sukhumvit	1-BR	51	5,600,000	6,000,000	7.1%
The Wind Sukhumvit	1-BR	50	5,550,000	5,900,000	6.3%
Noble Remix	1-BR	45.7	4,142,360	4,400,000	6.2%
The Pano	2-BR	103	9,167,000	9,700,000	5.8%
Millennium Residence	3-BR	193.5	21,187,000	22,300,000	5.3%

Source: Raimon Land Research

* Based on asking rate

Rental Of Condominium Units In H1/10

PROJECT NAME	UNIT TYPE	UNIT SIZE (sq.m)	MONTHLY RENTAL (THB)	RESALE PRICE* (THB/sq.m)	GROSS RENTAL YIELD (%)
Noble Solo	1-BR	67	43,000	83,321	8.7%
Siri@Sukhumvit	1-BR	51	45,000	117,647	8.6%
Noble Remix	1-BR	55	40,000	96,000	8.6%
The Emporio Place	1-BR	65	55,000	115,385	8.4%
The Address Chidlom	1-BR	56	50,000	130,357	7.9%
Athenee Residence	2-BR	97	80,000	120,000	7.8%
Millennium Residence	2-BR	128	90,000	107,813	7.3%
The Met	2-BR	93	75,000	138,710	6.6%
Eight Thonglor	2-BR	113	60,000	150,000	3.9%
The Park Chidlom	2-BR	141	80,000	160,000	3.8%

Source: Raimon Land Research

* Based on asking rate

Condominium resale prices continue to climb on par with off-plan rates of recently launched projects. There are no signs of sellers offering major discounts on units. Some transactions in early 2010 achieved capital gains of up to 25% of the price paid off-plan, despite the large amount of new completions in the market. This indicates an upward trend in condominium prices. The most popular resale sizes in H1/10 were two-bedroom (2-BR) units with an average size of 100-120 sq.m, due to fact that some home buyers are still seeking out larger units in resale market than what most recently launched condominiums are offering off-plan.

The strength of the sector is also evidenced in the rental area which remains an excellent tool for investors, as rental yields for condominiums in Bangkok's inner-city area maintain an average of 7% per annum. This provides an attractive return given the current five-year government bond and bank fixed deposit rate, which stand at 2.4% and 1.5% respectively.

Sukhumvit remains the most sought-after area for rental properties, especially among expatriates. Recently completed projects are offering even higher returns, such as Noble Solo (8.7%), Siri@Sukhumvit (8.6%) and The Emporio Place (8.4%). The monthly rental rates in Bangkok's CBD currently ranges from THB 30,000-50,000 for a one-bedroom unit; THB 50,000-80,000 for two-bedroom unit; THB 90,000-120,000 for three-bedroom; and up to THB 180,000-200,000 for a fully furnished penthouse.

Ongoing Condominium Projects, New Launches

List Of Ongoing Condominium Projects (2009-H1/10)

PROJECT	DEVELOPER	NUMBER OF UNITS	LAUNCH DATE
SUKHUMVIT			
Ideo Morph (Phase 1)	Ananda Development Co., Ltd.	162	Q2/09
Villa Sikhara	Sikhara Kotobuki Property Co., Ltd.	64	Q2/09
The Address Asoke	Asian Property Development Plc.	574	Q3/09
The Address Sukhumvit 28	Asian Property Development Plc.	246	Q3/09
Ideo Morph (Phase 2)	Ananda Development Co., Ltd.	199	Q3/09
Noble Refine	Noble Development Plc.	243	Q3/09
The Seed Musee	Pruksa Real Estate Plc.	138	Q3/09
Villa Asoke	TCC Capital Land Limited	525	Q3/09
Bright Sukhumvit 24	All Bright Holdings Co., Ltd.	292	Q4/09
Voque	Apollo Vortex Co., Ltd.	140	Q4/09
Keyne by Sansiri	Sansiri Plc.	216	Q2/10
10 Projects		Total: 2,799	
SILOM/SATHORN			
The Address Sathorn	Asian Property Development Plc.	562	Q3/09
Collezio Sathorn	Major Development Plc.	95	Q3/09
Quad Silom	Quad Co., Ltd.	74	Q3/09
Ritz Carlton Residences	Pace Development Co., Ltd.	194	Q3/09
Surawong City Resort	City Resort Property Co., Ltd.	116	Q3/09
The Parco	Supreme Team Co., Ltd.	148	Q2/10
6 Projects		Total: 1,189	
CENTRAL LUMPINI			
Oriental Residences	Thai Contractors Assets Co., Ltd.	44	Q2/09
Q Langsuan	Quality House Plc.	177	Q2/09
The Tempo	Built Land Co., Ltd.	78	Q4/09
Socio Ruamrudee	Building Property Limited	67	Q1/10
Renova Residence	Baanrommaicondo Co., Ltd.	62	Q1/10
5 Projects		Total: 428	
RIVERSIDE			
Supalai Casa Riva Vista 2	Supalai Plc.	224	Q4/09
Supalai River Resort	Supalai Plc.	906	Q1/10
2 Projects		Total: 1,130	
GRAND TOTAL		5,546 UNITS	

New Project Launches In H1/10 By Listed Developers In Suburban Bangkok

PROJECT	DEVELOPER	NUMBER OF UNITS	LAUNCH DATE	LOCATION
The Breeze Narathiwas	Eastern Star Real Estate Plc.	294	Q1/10	Narathiwas Road
The Fuse Sathorn-Taksin	Pruksa Real Estate Plc.	377	Q1/10	Krungthonburi Road
Pyne By Sansiri	Sansiri Plc.	318	Q1/10	Ratchathewi
Noble RE:D	Noble Development Plc.	272	Q1/10	Paholyothin (Soi Aree 1)
Rhythm Ratchada Huaikwang	Asian Property Development Plc.	539	Q1/10	Ratchadapisek Road
The Room Sukhumvit 62	Land & Houses Plc.	487	Q2/10	Sukhumvit 62
The Seed Atom	Pruksa Real Estate Plc.	555	Q2/10	Paholyothin (Soi Aree 4)
Urbano Absolute	Pruksa Real Estate Plc.	593	Q2/10	Krungthonburi Road
8 Projects		Total 3,435		

New Launches

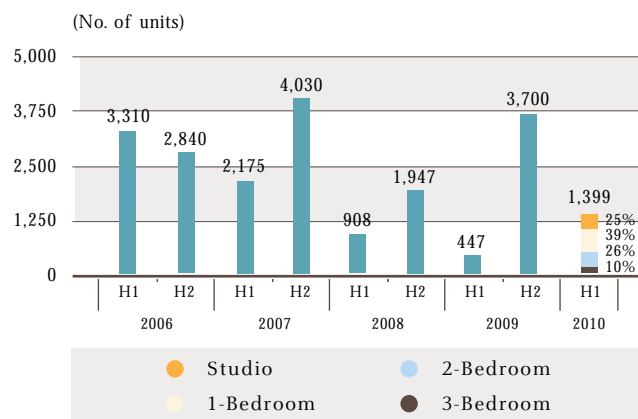
Future Project Launches In H2/10 By Listed Developers

DEVELOPER	NUMBER OF PROJECTS	NUMBER OF UNITS	VALUE (THB MILLION)
Asian Property Development Plc.	5	5,325	13,800
Land & Houses Plc.	6	2,282	5,976
L.P.N. Development Plc.	4	N/A	8,000
Major Development Plc.	4	N/A	N/A
Noble Development Plc.	2	422	3,024
Pruksa Real Estate Plc.	8	N/A	N/A
Raimon Land Plc.	1	240	9,625
Quality House Plc.	2	498	1,058
Sansiri Plc.	10	N/A	17,500
Supalai Plc.	2	N/A	3,080
Total	44	N/A	N/A

Source: Raimon Land Research



New Launches By Unit Type



Source: Raimon Land Research

Bangkok's condominium pipeline continues to grow, picking up the momentum from H2/09 with five new projects totaling 1,399 units launched in the inner-city in H1/10, recording significant growth from the mere 447 units launched in the same period last year. Some of the notable new projects launched in the first half of 2010 include Keyne By Sansiri (216 units) near Thonglor BTS station, The Parco (148 units) at Yennakart and Supalai River Resort (906 units) in the riverside area. A total of 895 units or 64% of all units launched in H1/10 were studios and one-bedroom units, indicating developers' awareness of increasing demand for single-bed units in the city.

With improved infrastructure and the launch of several lifestyle-oriented shopping malls, increasing numbers of major developers have shifted their attention towards the edge of the city-centre, notably along Phayathai, Aree, Krung Thonburi, Onnut and Ratchada areas - where there is convenient access to the

mass-transit train network. In H1/10, a total of eight projects were launched along mass-transit lines by listed companies alone, adding 3,435 units to the pipeline. Some of the projects that sold exceptionally well, - were those located in the Phayathai to Aree areas, such as Pyne by Sansiri and Noble RE:D, which both sold out within days of being launched.

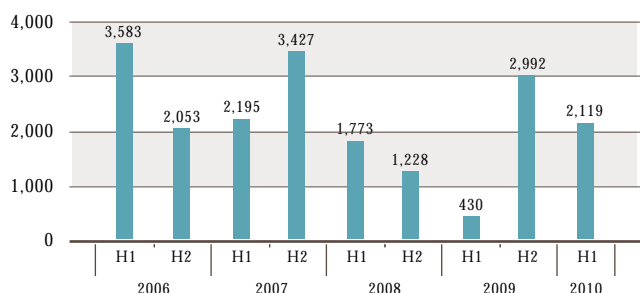
The market is expected to be very active in H2/10, as many condominiums should launch before the end of this year - with 44 projects from major listed developers alone. The majority of new launches are expected to be near BTS stations, as demand along mass-transit lines remains strong. More upscale condominium projects with compact units are also expected to thrive this year. Many land plots in those areas have already been acquired by notable developers this year.

Demand - Sales And Prices



New Condominiums Sold

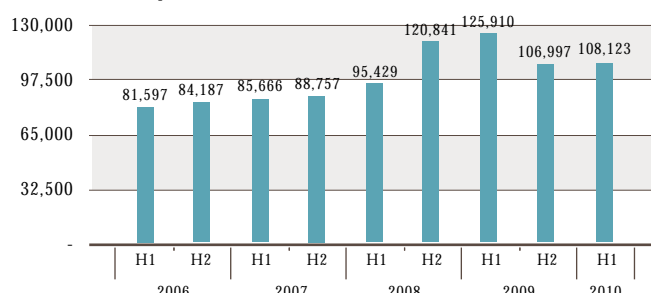
(No. of units)



Source: Raimon Land Research

Average Price of Condominium Unit Sold Off-plan In Inner-city Bangkok (THB/sq.m)

(THB/sq.m)



Source: Raimon Land Research

Demand continues to maintain its pace with another sale of 2,119 units in H1/10, posing a significant increase over same period last year. In addition, the high number of units sold in the last 12-month period from H2/09 to H1/10 (5,111 units), which surpassed the number of units launched in the same period (5,099 units), indicates that current demand is absorbing much of the recent market supply. The ongoing strong demand proves the economic turmoil and political instability had only a short-term impact on Thailand's condominium market, as home buyers and investors continue to buy new properties in Bangkok's inner-city.

Government stimulus packages, which included the reduction of transfer fees from 2% to 0.01%, have also played their part in boosting sales, as many home buyers rushed to take up the nearly completed inventories before the scheme expired at the end of June this year, which in turn helped developers clearing their unsold stock.

On the whole, the off-plan take-up rate remained strong, with 76% of all newly launched condominiums (5,546 units) since

the beginning of 2009 sold by the end of H1/10. Local Thais remain the main buyers in the market, as the strengthening of Thai baht still deter foreign buyers and investors from returning to the market. The most demand came from the prime Sukhumvit area, where 84% of all units launched since the beginning 2009 were sold at an average price of THB 136,985/sq.m.

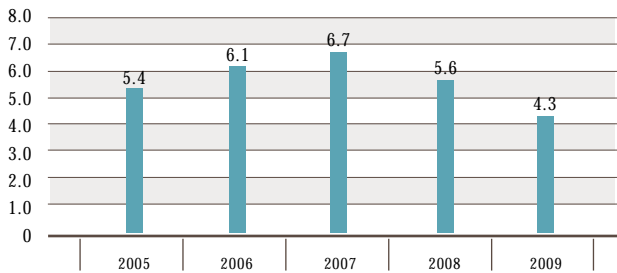
Despite strong sales in the past 12 months, the average price of condominiums sold off-plan fell 14% year-on-year to THB 108,123/sq.m. This can be attributed to the low number of sales in the top-end sector, which is more sensitive to foreign demand. Nevertheless, the average price per-square-meter remains relatively high, with some developers reducing the size of their unit offerings and providing up to 100% financing upon transfer - to ensure their projects remain affordable to most buyers.

PATTAYA CONDOMINIUMS



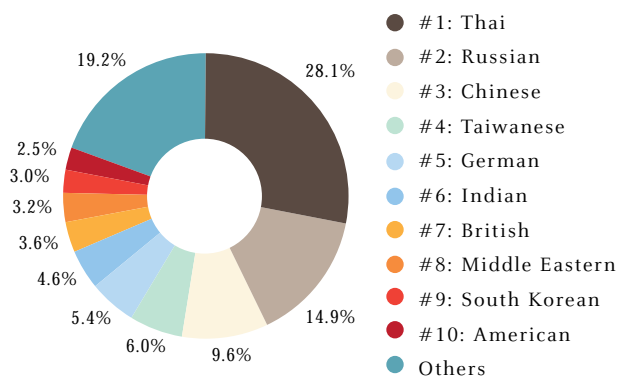
Number Of Tourists In Pattaya

(No. of visitors in Million)



Source: Office of Tourism Development

Number Of Tourists In Pattaya By Nationality In 2009



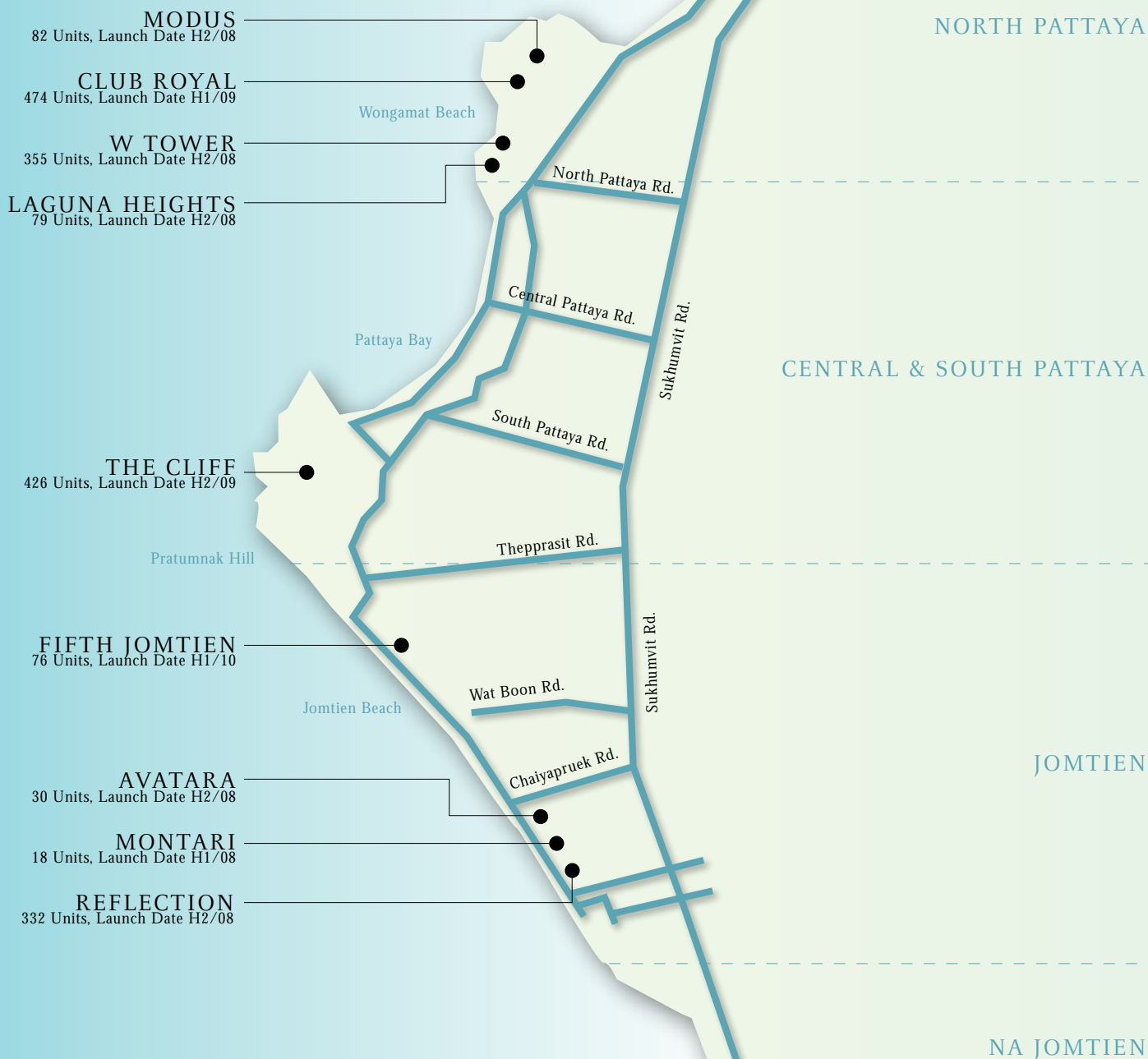
Source: Office of Tourism Development

The number of tourist arrivals to Pattaya fell for the second consecutive year to 4.31 million in 2009. This made up 28% of the overall tourist number in Pattaya last year, up from 25% in 2008. The growth was credited to the government's efforts to promote the "Thai Tiao Thai" campaign, which aimed to encourage more local tourists to visit Thai resort destinations, such as Pattaya, to make up some of the lost revenue from foreign tourists. The effort drew a good response from Thai tourists, luring almost 1.2 million domestic visitors to Pattaya last year.

Despite the drop in international arrivals, the top three markets, based on hospitality statistics, are the Thai, Russian, and Chinese segments, which comprised over 50% of the total market in 2009. The number of Taiwanese tourists notably jumped from sixth to fourth place, recording the strongest rise (of 53%) from the previous year. The opening of new resorts hotels and retail centres targeting the Thai market, such as the Centara Grand Mirage Beach Resorts and Central Festival Pattaya Beach, in 2010 also helped attract more locals to the area.

Though Pattaya has traditionally received regular support from Bangkok-based tourists due to its close geographical proximity, this year's recurring political demonstrations during April-May in Bangkok are expected to impact upon Pattaya's overall recovery. Nevertheless, tourism should receive a boost when the expected additional tourism-industry stimulus packages emerge. Provided the political situation remains stable, we should expect the return of foreign tourists towards the final quarter of this year - with the overall number of tourists in 2010 reaching no less than 4.5 million.

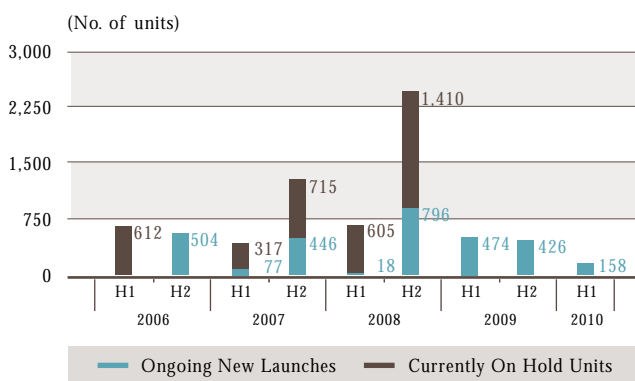
Pattaya Map And Condo Project Launches



Demand / Supply



New Condominium Launches



Source: Raimon Land Research

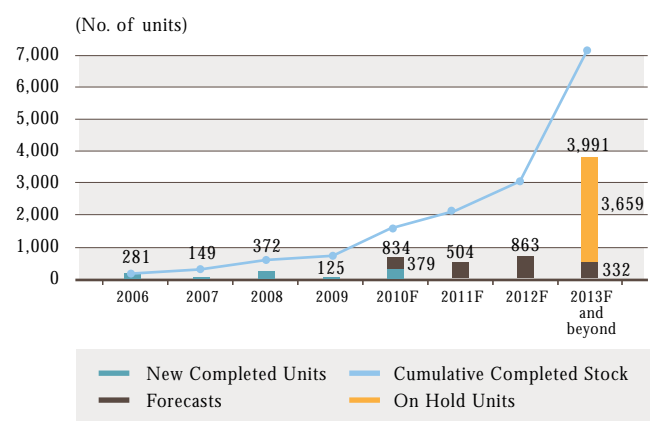
The landscape of Pattaya's condominium market is now more sophisticated than a few years ago. It does not rely entirely on beachfront properties, as it used to. The emerging urban properties located in the city centre have become the fastest-growing market for condominium prospects.

Despite the low number of seaside project launches, Pattaya's urban area retains its potential, with developers consistently launching new projects, - targeted at prospects living, retiring or working in Pattaya with a budget of THB 1-5 million. Prices can start as low as THB 35,000-55,000/sq.m compared to those in seaside area, ranging from THB 80,000-150,000/sq.m and generally priced at THB 5 million and above.

In H1/10, there were four new urban project launches offering 1,295 units representing 89% of overall launches so far this year. These projects sold 518 units or 40% of total launches within a few months of marketing activities.

In the meantime, Pattaya's seaside market is growing at a much slower pace. Only two new projects were launched in Pattaya's seaside locale in H1/10, namely Modus in Naklua and The Fifth Jomtien, adding another 158 units to the market.

Breakdown Of New Completions Of Condominiums



Source: Raimon Land Research

The strengthening of the Thai baht (10.2% against pound sterling and 12.9% against the euro) in the past 12 months has delayed traditional European buyers from purchasing properties in Pattaya. It has also pressured developers into selling their remaining units off-plan, in attempts to compete with the influx of resale units from foreign buyers, who tried to flip their units to capitalise on the weakness of their respective currencies.

The high market competition has prevented new developers from entering the market. It has also forced some existing developers who suffered lower-than-expected sales to postpone their plans. According to research, six projects totaling 3,659 units launched in 2006-2008 are currently on hold.

Northpoint and Laguna Heights were the only two projects completed in the first half of this year, adding 455 units to the market. As for the remaining 5,737 units launched that have yet to complete, only 1,200 units have broken ground with as little as 379 units expected to complete in the second half of this year. Another 79% (or 4,537 units) have yet to break ground.

Investment And Returns

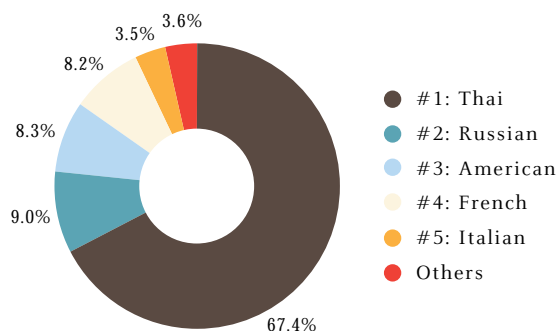
Rental Yield Of Selected Pattaya Projects In H1/2010

PROJECT	UNIT TYPE	UNIT SIZE (sq.m)	MONTHLY RENTAL* (THB)	MONTHLY RENTAL (THB/sq.m)	ANNUAL NET RENTAL (THB/sq.m)	RESALE PRICE* (THB/sq.m)	GROSS RENTAL YIELD (%)
Ananya Wongamat	Studio	78	55,000	705	8,102	111,538	7.3%
Northpoint	1-BR	73	55,000	753	8,321	116,438	7.1%
Northpoint	1-BR	65	50,000	769	8,511	121,384	7.0%
Ananya Wongamat	1-BR	98	65,000	663	7,599	112,571	6.8%
Ananya Naklua	2-BR	155	70,000	452	5,059	83,226	6.1%
Ananya Wongamat	2-BR	150	100,000	667	7,640	136,667	5.6%
Northpoint	2-BR	105	85,000	810	8,994	168,000	5.4%
Northpoint	2-BR	107	85,600	800	8,880	168,225	5.3%
Northpoint	2-BR	102	73,000	716	7,868	155,000	5.1%
Ananya Naklua	2-BR	150	80,000	533	6,040	120,000	5.0%

Source: Raimon Land Research
*Based on asking rate



Top 5 Nationality Of Buyers From Raimon Land In Pattaya Projects In H1/10



Source: Raimon Land Research

Despite the low number of foreign visitors in 2009, Pattaya’s rental market is still attracting consistent demand from long-term foreign residents, retirees and white-collar workers in surrounding industrial estates. In addition, we also see a growing rental demand from those condominium buyers who purchased units off-plan and are often waiting for their projects to reach completion after delays. The average rental yield remains at 5-7% per annum – a similar level to the year before. Northpoint, the latest beachfront project completed in H1/10, recently achieved rents of THB 700-800/sq.m, while neighboring Ananya Wongamat, completed a year before, is also reaching the THB 700/sq.m mark.

We have seen some pressure on the prices of both off-plan and resale properties, with some buyers exiting the market after receiving a rapid profit on currency; - while others are seeing a good opportunity to enter the market at a time when prices are

relatively low. In the long run, prices are expected to adjust with Bangkok’s prime locations, as the rents achieved are already similar to those on Sathorn or Sukhumvit roads in Bangkok. Based on Raimon Land’s Northpoint project in Pattaya, sales volumes in H1/10 have already surpassed the entire year of 2009. Thai buyers made up a significant share of the overall 67% sold in H1/10, followed by Russians, who comprise about 9% of sales in the first half of this year. The doubling of sales value from Thais indicates a shift in trend for the Pattaya market, once dominated by foreign buyers.



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