

Weak local sentiment, excess supply in most markets and weaker than forecast tourist arrivals, continues to impact most sectors

▼ 2.3% y-o-y GDP ▼ -7.1% q-o-q CCI (June 2025) ▼ -25.3% q-o-q Tourism

QUARTERLY HIGHLIGHTS

- **Residential:** The residential market continues to experience weak market sentiment, with poor financial liquidity affecting both developments and buyers. In this environment, presales are slower, and numerous projects are soft launched prior to their formal launches to test the market.
- **Office:** Supply continued to increase, resulting in overall occupancy falling to 79.3% which marks the first time since 2004 that the overall occupancy has fallen below 80%. However, net take-up levels remained positive, while average Grade A rent slightly dropped by 0.4% Q-o-Q as landlords of older buildings offering competitive rates to retain tenants.
- **Retail:** The retail sector was subdued by declining tourist arrivals and consumer confidence (CCI at 52.7). Looking ahead, 1.09 million sq. m. is in the pipeline, intensifying oversupply concerns. While demand from new entrants, particularly those from overseas, remain active, their focus is mostly in downtown Bangkok.
- **Hotel:** Hotel performance in Q2 2025 experienced a decline across all key indicators compared to both the previous quarter and Q2 2024. This downturn was primarily due to the low season and the reduced number of tourists.
- **Industrial & Logistics:** Industrial market continues to show healthy demand, with strong take-up in the RBF and SILP sales, while supply constraints remain a key consideration.
- **Economic:** BOT forecasted GDP growth for whole year 2025 to grow by 2.3% Y-o-Y, down from previous forecast at 2.9% Y-o-Y.

TABLE 1: Quick Statistics

Condominium	Q2 2025	q-o-q	y-o-y
New Launch - Downtown	141 Units	-77.7%	-81.9%
New Launch - Midtown/Suburban	923 Units	-82.4%	-85.2%
Office	Q2 2025	q-o-q	y-o-y
Avg. Grade A+, A CBD Rent	THB 1,044	-0.4%	1.9%
Overall Occupancy	79.3%	-1.0 pp	-2.2 pp
Retail	Q2 2025	q-o-q	y-o-y
Rent	THB 2,000-5,500	0%	0%
Occupancy	93.8%	-0.1 pp	-1.3 pp
Hotel	Q2 2025	q-o-q	y-o-y
ADR	THB 3,803	-13.5%	-3.9%
Occupancy	63.4%	-12.1 pp	-8.4 pp

Residential - Condominium

▲ +1.3 % y-o-y

Downtown Condominium Supply

▲ +5.2% y-o-y

Midtown Condominium Supply

Downtown condominium new launches are still low. All formally launched projects in Super Luxury segment, following completion, were actually soft-launched years ago

- The downtown condominium market in Q2 2025 experienced a significant decrease in newly launched units, totalling 141 units across three projects. This represents a decrease of 77.7% Q-o-Q and 81.9% Y-o-Y, compared to 633 units launched in Q1 2025 and 779 units in Q2 2024.
- According to our surveys and developer reports, out of a total future supply of 29 projects with 11,093 units, 59.2% (6,563 units) have already been sold, representing an increase of 3.0% Q-o-Q.
- The total existing supply completed since 2014 consists of 257 projects with 86,148 units. Of these, 92.4% (79,561 units) have already been sold, a figure that remains unchanged from the previous quarter, taking into account newly launched and completed units.
- The average asking price of under-construction units in freehold condominium projects (High-end and above) increased by 9.7% Y-o-Y, to THB 323,226 per square meter, primarily driven by the Super Luxury project in the Sukhumvit area.

Midtown/Suburban newly launched units have experienced their most significant decline in a decade

- In Q2 2025, 13 projects in the midtown/suburban area were completed, totalling 6,147 units. The Late Sukhumvit area had the largest proportion of completed units.
- The average asking price of off-plan and under-construction condominium units in midtown/suburban Bangkok was THB 107,431 per square meter, a 1.5% increase from THB 105,835 in the previous quarter and a 2.2% increase from THB 105,158 in Q2 2024.
- The sales performance of future supply has dropped to 54.8%, or a decrease of 8.3 percentage points Y-o-Y. Thonburi/ Phahonyothin/ Vibhavadi, Pinklao, and Phatthanakarn/Rama IX led in sales performance, while the Upscale segment continued to achieve the highest sale performance at 63.7%.

▲ +3.0 pp q-o-q

Downtown Sale Performance of Future Units

▼ -4.5 pp q-o-q

Midtown Sale Performance of Future Units

FIGURE 1: Newly Completed Condominiums in Bangkok, 2014-2029F



Source: CBRE Research, Q2 2025

Outlook

- CBRE anticipates that Bangkok property developers will largely remain cautious in 2025, focusing on selling their existing unsold inventory rather than launching new projects.
- Developers are prioritizing cash flow and inventory reduction. This will likely lead to continued price promotions and incentives on available units in an effort to improve their financial liquidity. This "wait-and-see" approach is expected to dominate the market until more favorable conditions return.
- Some developers have already announced postponements to previously planned project launches within 2025.

Residential - Housing

▼ -24.3% q-o-q

Newly Launched Low-Rise Housing Units by Top Listed Developers

▲ 12.0% q-o-q

Land Allocation Permits in BMR (plots)

▲ 0.7% q-o-q

Construction Material Price Index (Latest Data Available)

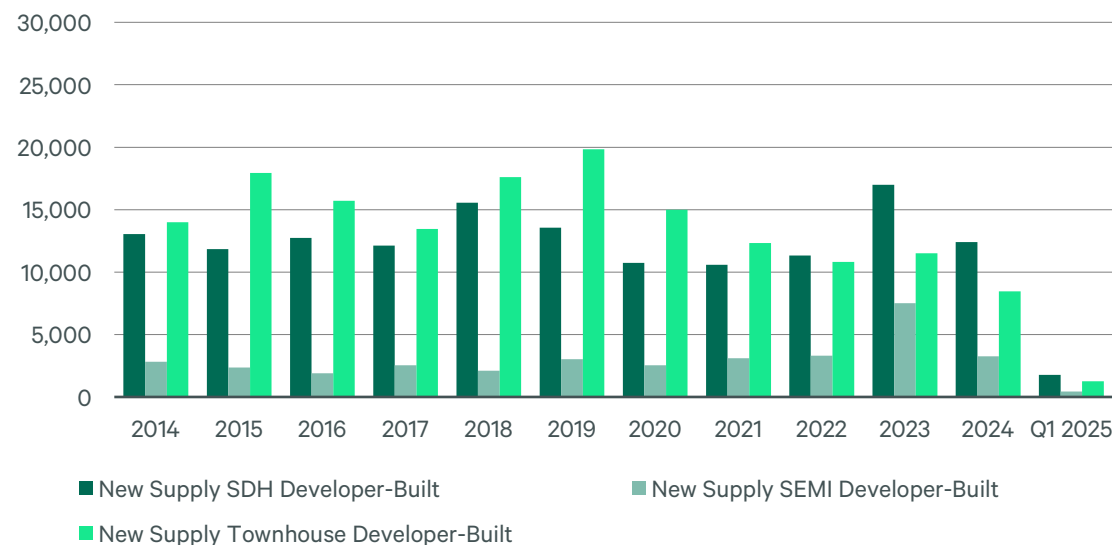
Housing Launch Lowest In a Decade, with Price-Sensitive Segments Most Affected

- In the second quarter of 2025, top-listed developers launched 1,921 units across 20 new housing projects, reflecting a significant decrease of 24.3% Q-o-Q and 73.1% Y-o-Y from 7,130 units in the same period last year. This reflects the lowest launch volume in more than a decade.
- The steep decline was mainly as a result of the reduced unit launches of Upscale and lower segments (priced up to 15.0 MB), which were down 57.0% Q-o-Q and 85.5% Y-o-Y, falling from 5,932 units to 845 units.
- Given the challenges of mortgage rejections and rising household debt, developers are aiming to mitigate risk by reducing the number of low-rise housing launches in more price-sensitive segments prone to the impact of economic downturns.
- Most new launches were in the High-end segment (THB 15.1-30 million), with 640 units across six projects valued at THB 10.5 billion. The Western Suburbs led in terms of location, accounting for 23.3% (448 units) of these launches.

Transfer Fee Expiration Drives Down Low-Rise Housing Transfers in Q1 2025

- REIC data also indicate that low-rise housing unit transfers in the Bangkok Metropolitan Region (BMR) fell 34.3% Q-o-Q and 17.2% Y-o-Y in Q1 2025 (the latest data available), declining to 14,021 units from 21,357 in the previous quarter.
- This dip is primarily attributed to the expiration of the transfer fee reduction, which was in effect until December 2024, resulting in the lowest transfer volume for low-rise housing in more than a decade.
- Of the 14,021 low-rise housing units transferred in the BMR during Q1 2025, transfers by Individual Persons (Secondhand Properties) accounted for 57.4% (8,044 units), while transfers by Juristic Persons accounted for 42.6% (5,977 units).

FIGURE 2: Newly Completed Developer-Built Supply Completed in the BMR, by Type, 2014 – Q1 2025 (Latest available data)



Source: CBRE Research, Q2 2025

Residential – Serviced Apartment

▲ +3.5% q-o-q

Serviced Apartment Supply

▼ -0.7% q-o-q

Occupancy Rate

▼ -16.3% q-o-q

Future supply

▲ +4.3% q-o-q

Average Grade A Rental Rate

Sukhumvit area continues to host the majority of the total serviced apartment supply

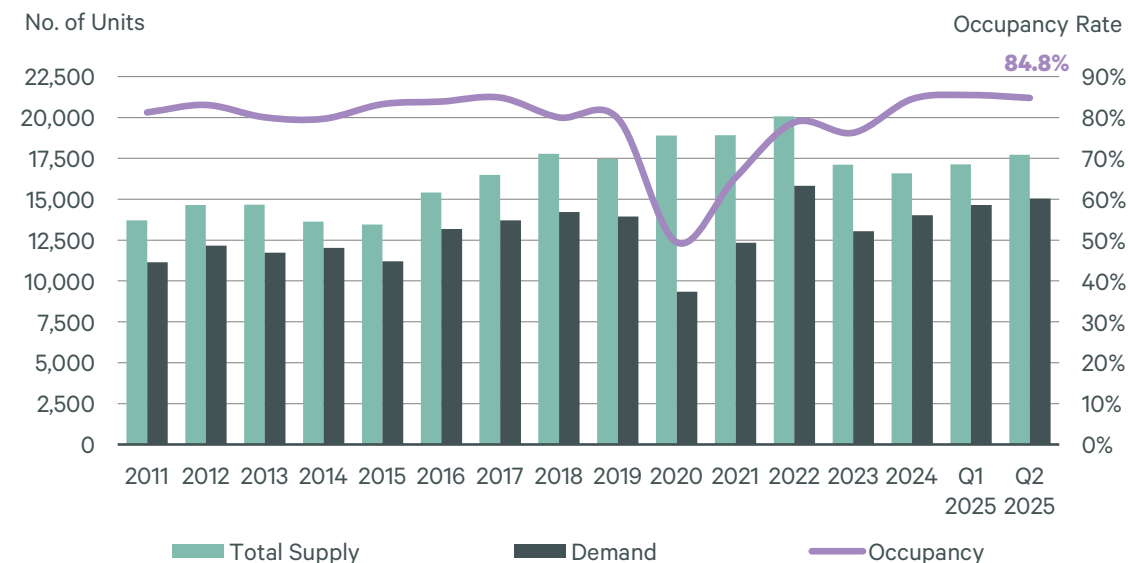
The serviced apartment market in downtown Bangkok recorded an average occupancy rate of 84.8%, reflecting a slight decrease of 0.7% Q-o-Q but an increase of 6.2% Y-o-Y.

- The total supply of serviced apartments in downtown Bangkok was 17,729 units, marking an increase of 3.5% Q-o-Q due to newly completed projects in the Sukhumvit area and revisions to the serviced apartment basket. The Sukhumvit area contains 65% of Bangkok’s total supply.
- The pipeline for serviced apartments includes four projects (921 units): one currently under construction and three in the planning stages.
- International branded residences accounted for 32.6% of the total supply, with The Ascott Limited being the top operator. Thai brand-operated serviced apartments comprised 34.7% of the total supply, with the top operators being Chatrium Hotels and Residences, Onyx Hospitality Group and Centre Point.

Grade A Serviced Apartment rents are still rising

- The average monthly asking rent for available Grade A serviced apartments reached THB 1,261 per square meter. Among the three main areas studied, Sukhumvit had the highest rent at THB 1,271 per square meter, followed by Central Lumpini/Siam (THB 1,194) and Silom/Sathorn (THB 1,099).
- Based on CBRE Residential Leasing transactions, two-bedroom and three-bedroom units comprised a similar number of transactions, at 33% and 30% respectively. The majority of these preferred units were in Sukhumvit, primarily rented by Japanese nationals.

FIGURE 3: Supply, Demand, and Occupancy Rate, 2011- Q2 2025



Source: CBRE Research

Residential - Apartment

▼ -0.3% q-o-q

Expatriates in Bangkok

◀▶ 0.0% q-o-q

Total supply

▲ +1.3% q-o-q

Occupancy Rate

▼ -0.7% q-o-q

Average Grade A Rental Rate

The expatriate population saw a slight quarterly decrease, with Chinese nationals remaining the largest expat group

- As of June 2025, the total number of expatriates in Thailand was 192,896, with 52% (97,232 individuals) in Bangkok and remaining 42% (95,664 individuals) in other provinces.
- Chinese nationals were the largest expatriate group in Thailand, accounting for 24% (50,197 individuals).

Supply remained stable from the previous quarter, and Sukhumvit continued to host the majority of the supply

- The average occupancy rate for apartments in downtown Bangkok reached 94.4%, showing an increase of 1.3% Q-o-Q and 3.0% Y-o-Y.
- The total supply of apartments in downtown Bangkok remained stable from previous quarter at 8,668 units, with no newly completed projects. Sukhumvit continued to host the majority of the supply, accounting for 86.0% of total apartment supply.

Grade A apartment rents overall continue to grow annually, and Central Lumpini/Siam achieves the highest rental rates

- The average asking rent for Grade A apartments was THB 584 per square meter, reflecting a decrease of 0.7% Q-o-Q but an increase of 4.1% Y-o-Y. Central Lumpini/Siam recorded the highest rent at THB 635 per square meter, followed by Sukhumvit (THB 594) and Silom/Sathorn (THB 505).
- Based on CBRE Residential Leasing transactions, two-bedroom units were the preferred choice in apartments, representing 38% of transactions. All preferred apartment transactions were located in the Sukhumvit area, with the majority of tenants being Japanese nationals.

FIGURE 4: Total Expatriates in Thailand by Nationality from, 2011-Q2 2025

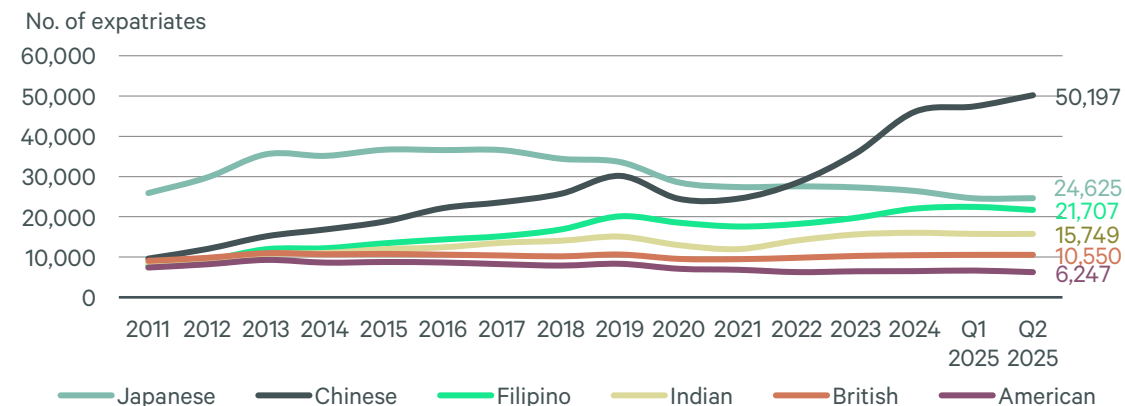
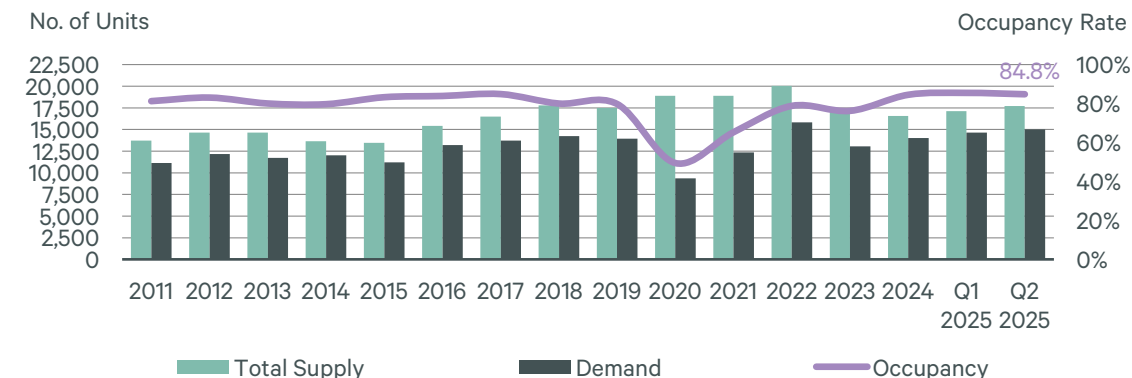


FIGURE 5: Apartment Supply, Demand, and Occupancy Rate, 2011- Q2 2025



Source: CBRE Research

Office

▲ 1.5% q-o-q

Bangkok Office Supply

▼ -15.3% q-o-q

Total Net Take-up

▼ 1.0 pp q-o-q

Overall Occupancy

◀▶ 0% q-o-q

Average Grade A+ Rent

Increasing in supply and dropping in occupancy continued

- In Q2 2025, office supply increased by 145,814 sq. m., comprising 160,534 sq. m. of new completions, including One Bangkok Tower 5 (100,534 sq. m.) and Central Park Offices (60,000 sq. m.), along with 12,000 sq. m. from the renovation of UOB Sathorn. Additionally, 26,720 sq. m. was removed due to changes in use.
- The overall occupancy rate declined from 80.3% to 79.3% in Q2 2025, as new completions outpaced net take-up. This marks the first time since 2004 that overall occupancy has fallen below 80%.
- Net take-up totaled 36,825 square meters, primarily driven by tenants occupying Grade A buildings in Non-CBD areas. The total net take-up for Grade A Non-CBD was 54,387 sq. m. Grade A+ also experienced a positive net take-up of 7,907 sq. m., while other submarkets recorded negative net take-up this quarter.

Only Grade A+ and Grade A Non-CBD average rental rates remained unchanged

- In this quarter, average rental rates for Grade A+ and Grade A Non-CBD remained stable at THB 1,195 and THB 740 per sq. m. per month, respectively, while rents in other segments decreased due to landlords offering more attractive rates to retain existing tenants and attract new ones.
- Based on our transactions this quarter, renewal transactions nearly matched relocation transactions, which are typically more numerous. We anticipate this trend to continue, as landlords of older buildings are likely to provide competitive lease renewal terms to retain tenants.

FIGURE 6: Total Supply, Take-Up and Occupancy Rate of Bangkok Office, 2015 – 2030F



Source: CBRE Research, Q2 2025

Retail

▲ -0.2% q-o-q

Supply

▲ +0.0% q-o-q

Space Under Construction

▼ -0.6% q-o-q

Demand (Take-up)

▼ -7.1% q-o-q

Consumer Confidence Index (June 2025)

Bangkok Retail Navigates Challenging Q2 Amidst Tourist Decline and Confidence Slide

- Bangkok's retail sector experienced a subdued Q2 2025, marking a downturn compared to the same period last year. This was largely attributed to a drop in foreign tourist arrivals and persistent weak domestic spending.
- Thailand's Consumer Confidence Index (CCI) continued its downward trend, falling for the fifth consecutive month to 52.7 in June 2025. This represents the lowest level since February 2023
- Total retail supply in Bangkok reached 8.3 million square meters in Q2 2025, representing a 0.7% year-on-year increase but a 0.2% quarter-on-quarter decrease. This quarterly decline was a net effect of new completions being outweighed by significant closures of key mid-size retail projects in both downtown and suburban areas.

Intensifying Competition & Oversupply Concerns Ahead for H2 2025

Supply pressures are expected to intensify through H2 2025 due to a robust pipeline, with approximately 1.09 million square meters of retail space under construction or in the planning phase.

- This trend is projected to continue into 2026 with an additional 0.30 million square meters from upcoming large-scale developments.
- While the "Thailand Half-Price Travel" program (July 1-October 30, 2025) is expected to benefit tourism, boosting hotel and F&B, its impact on the broader retail sector is anticipated to be limited in the next quarter.
- The overall market outlook remains challenging, with oversupply concerns if consumer demand does not experience a significant resurgence.

FIGURE 7: Bangkok Existing and Future Supply, 2015-2027F



Source: CBRE Research, Q2 2025

Hotel

▼ -25.3% q-o-q

International Tourist Arrivals

▼ -8.4 pp q-o-q

Occupancy

▼ -3.9% q-o-q

Average Daily Rate (ADR) (THB)

▼ -15.2% q-o-q

Revenue per Available Room (RevPAR) (THB)

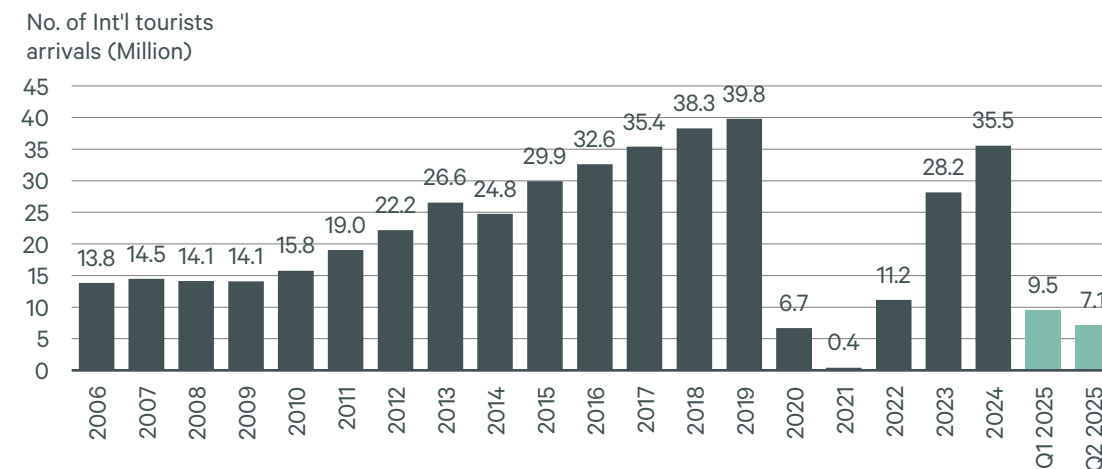
Tourist arrivals dropped over months

- Thailand welcomed 7.1 million international tourists, decreasing 12.2% Y-o-Y and 25.3% Q-o-Q. Malaysian tourists were the top market feeder with 1.1 million tourists, surpassing China.
- Chinese arrivals decreased 29.8% Q-o-Q and 44.5% Y-o-Y, continuing a downward trend since January.
- Tourist arrivals from South Asia and the Middle East grew this quarter, particularly from India, Saudi Arabia, the United Arab Emirates (UAE) and Oman. Other regions generally saw a decrease in arrivals from the previous quarter.
- Despite an improvement in overall flight capacity in Thailand, aircraft movements remain 13% below 2019 levels and lower compared to last quarter’s figures.

Hotel performance declined both Q-o-Q and Y-o-Y

- As of Q2 2025, Bangkok’s hotel supply totaled 82,729 keys, with four new hotels adding 1,234 keys to the supply: Aman Nai Lert Bangkok, Grande Centre Point Lumphini, Queensland Hotel and The Quarter Ramkhamhaeng by UHG.
- Hotel performance in Q2 2025 experienced a decline across all key indicators compared to both the previous quarter and Q2 2024. This downturn was primarily due to the low season and the reduced number of tourists.

FIGURE 8: Number of International Tourist Arrivals, 2006-Q2 2025



Source: Ministry of Tourism and Sport (MOTS)

Outlook

- Due to lower-than-forecast tourist arrivals, the TAT is considering revising its annual target from 40 million to 35 million tourists.
- To further stimulate domestic tourism, the government is implementing the Thailand Half-Price Travel campaign, providing THB 1.75 billion in funding. The program is expected to positively impact domestic demand in Q3 2025.
- By 2025, CBRE projects an increase of more than 3,400 keys from hotels under construction, raising Bangkok's total supply by 4.1% to 86,157 keys.

Industrial & Logistics

▲ +0.2% q-o-q

Supply of SILP

▲ +13.5% q-o-q

Supply of RBF*

▲ + 18.6% q-o-q

Supply of MLP*

Resilient industrial demand, led by strong RBF take-up

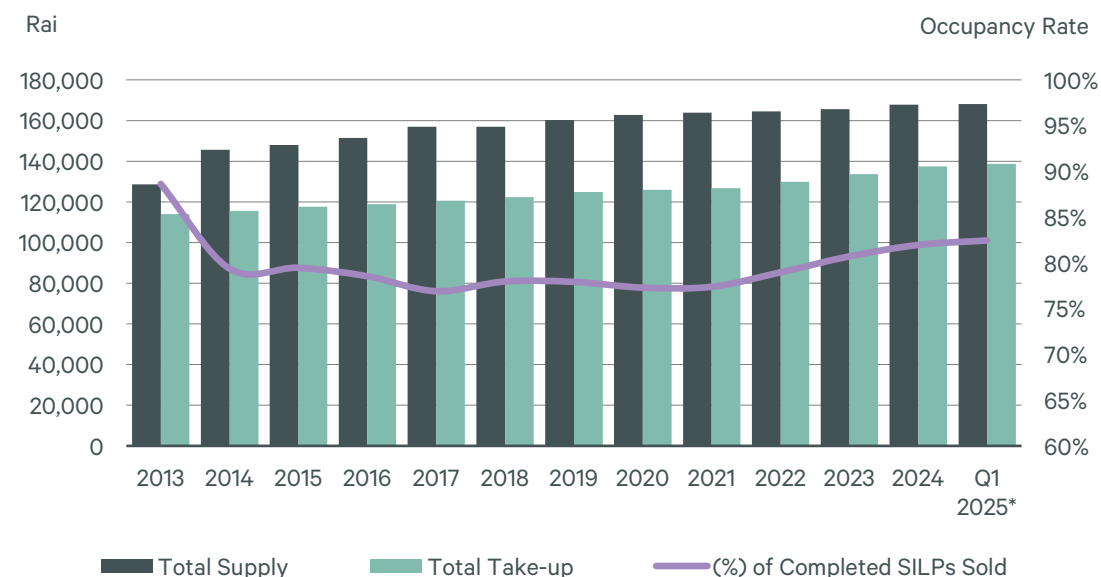
- Total SILP supply increased by 0.2% Q-o-Q, or 400 rai, from 304 Industrial Park, reaching 168,141 rai. SILP sales in our survey basket for Q1 2025 totaled 1,144 rai, representing 24.2% Q-o-Q decrease from 1,509 rai in Q4 2024 but a 50.7% Y-o-Y increase from 759 rai in Q1 2024.
- The total supply of RBF in our survey basket in Q1 2025 increased to 2,769,104 square meters, reflecting an increase of 13.5% Q-o-Q and 13.2% Y-o-Y. Demand in the RBF market rose approximately 15.9% Q-o-Q to 2,596,267 square meters and the vacancy rate declined from 8.2% in Q4 2024 to 6.2% in Q1 2025.*
- MLP supply increased to 5,877,339 square meters, increasing 18.6% Q-o-Q and 23.3% Y-o-Y, attributed to the inclusion of supply from newly added developers, as no new supply was completed by existing developers within the basket during this period. Demand in the MLP market increased from 4,308,490 square meters in Q4 2024 to 5,209,171 square meters in Q1 2025. The vacancy rate decreased to 11.4% in Q1 2025 from 13.1% in Q4 2024.*
- Net take-up on a like-for-like basis (excluding additions) for RBF was 82,522 square meters, an increase of 107.6% Q-o-Q and 41.1% Y-o-Y and for MLP was 24,707 square meters, a decrease of 77.4% Q-o-Q but an increase of 91.1% Y-o-Y.

Ongoing demand amid supply imbalance and U.S. trade policy uncertainty

- Thailand’s industrial market continues to show healthy demand, driven by ongoing FDI in the manufacturing and digital sectors. However, the strong growth over the past two years has led to a supply-demand imbalance, especially in the EEC. Meanwhile, uncertain U.S trade policy is also creating headwinds for the market.

Note: (*) This quarter we have added properties to the RBF and MLP baskets and added properties from other developers that were previously not included. As such, Q-o-Q and Y-o-Y growth, vacancy rate figures are not directly comparable to previous periods. Much of the growth in this quarter is a result of the additional properties in the basket, rather than pure new supply/take up.

FIGURE 9: Supply, Demand and Occupancy Rate of SILP, 2013-Q1 2025



Note: *Data for 2024 excludes data from Rojana, as they only report SILP sales on an annual basis.

CBRE records a SILP sale when the land is transferred with completed infrastructure.

Source: CBRE Research

Investment

▲ 4.8 pp q-o-q

Publicly Listed Property Funds' and REITs' Average Capital Gain

▲ 0.3 pp q-o-q

Publicly Listed Property Funds' and REITs' Average Dividend Yield

▼ -0.4 pp q-o-q

1-Year Gov. Bond Yield (June 2025)

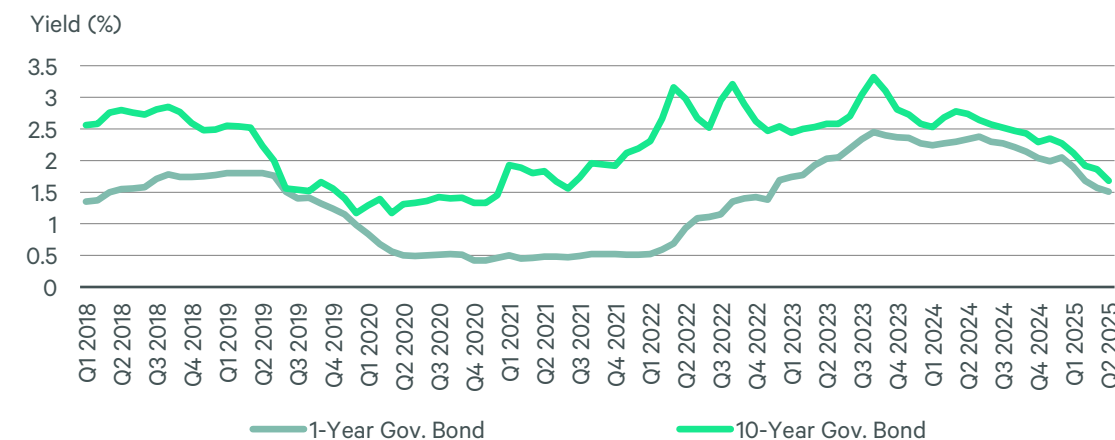
▼ -0.4 pp q-o-q

10-Year Gov. Bond Yield (June 2025)

Investment Market Summary

- In Q2 2025, the Monetary Policy Committee (MPC) voted unanimously to reduce the policy rate from 2.0% to 1.75%.
- Three major land transactions occurred in Q2 2025. Delta Electronics (Thailand) PCL purchased 150 rai of land in ARAYA -The Eastern Gateway for THB 1.84 billion. DAMAC Group purchased plots of land for investment in a data center project in Nava Nakorn Pathumthani Industrial Zone. The Platinum Group PCL also acquired a long-term leasehold right for approximately 7 rai of land from the Crown Property Bureau for a total value of THB 3.93 billion to develop a future mixed-use project (shopping center and hotel).
- This quarter also saw three major property transactions. Ignite Venture Co., Ltd. acquired the leasehold rights of Montien Hotel Surawong from Tantakitt Co., Ltd. Escon Japan (Thailand) Co., Ltd. sold its 49% stake in Britania Bangna Km 39 Co., Ltd. to Britania PCL, for THB 176.4 million. Nomura Real Estate (Thailand) Co., Ltd. sold its 49% shareholding in a joint venture for the Origin Plug & Play Ramintra condominium project to Origin Vertical Corporation Co., Ltd., for THB 318.5 million, and Dusit Thani PCL sold its 49% shareholding in a joint venture for the Hampton Sriracha condominium project to Origin Nationwide Co., Ltd., for THB 156.8 million.
- Four new joint venture projects were launched, Two were initiated by Origin Property PCL through its subsidiaries Origin Vertical Corporation Co., Ltd. and Alpha Industrial Solutions Co., Ltd., in partnership with Escon Japan (Thailand) Co., Ltd. and Benjapornland Co., Ltd., respectively. Additionally, Sena Development Public Company Limited entered into a joint venture with Mitsubishi Corporation LT (Thailand) Co., Ltd.

FIGURE 10: Government Bond Yields, Q1 2018-Q2 2025



Source: CBRE Research, Q2 2025

Property Funds and REITs

- Three REIT expansions were reported. ALLY made two additional investments in community malls, namely the T10 project and Village Hub Saimai project, with a total value of THB 46 million. PROSPECT made three additional investments in factory and warehouses in Bangkok Free Trade Zones 1, 2 and 3, with a total value of THB 3.21 billion. INETREIT made additional investments in the INET-IDC3 project, with a total value of THB 2.9 billion.
- The average capital gain/loss for property funds and REITs in Q2 2025 was -1.7%, compared to -6.5% in Q1 2025. The average dividend yield was 7.7%, compared to 7.4% in Q1 2025.

QUARTERLY REPORTS



Bangkok Property Report

The Bangkok Property Report, now in its 27th year, is CBRE Thailand’s flagship quarterly subscription publication, with data from a tried and tested database reinforcing its reputation as Bangkok’s definitive property sector source.

The Bangkok Property Report provides in-depth analysis of the Bangkok real estate market, including property supply and demand, occupancy, take-up, prices, rental trends and other indicators.

Online annual subscriptions are available. For more information email: research@cbre.co.th

Contact

Consulting & Research, Thailand

Chotika Tungeirisurp
 Head of Consulting & Research
 +66 (0)2 119 2930
 chotika.tungsirisurp@cbre.com

Consulting & Research, Thailand

Nicholas Vettewinkel
 Senior Director
 +66 (0)2 119 2929
 nicholas.vettewinkel@cbre.com

Consulting & Research, Thailand

Mayurachat Tipparat
 Senior Manager
 66 (0)2 119 2913
 mayurachat.tipparat@cbre.com

Consulting & Research, Thailand

Thatchanan Siddhijai
 Senior Manager
 66 (0)2 119 2912
 thatchanan.siddhijai@cbre.com

© 2025 CBRE (Thailand) Co., Ltd.

All content, information and/or services in this report are provided “as is” and “as available”, serving only as an information source. **This report shall not be distributed to external parties without written consent from CBRE.**

All statements and expressions about the property contained in these particulars are the sole opinion of CBRE and are made without responsibility, representation or warranty of any kind on the part of CBRE. All descriptions, dimensions and other details are given in good faith. However, any potential purchasers/tenants or any party should not rely on them as statements or representations of fact and must conduct their own inspections or use other means to verify their accuracy. We strongly recommend discussing any purchase or sale decision with a financial advisor or obtaining independent professional advice before making any decision.

Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property.

The calculations and figures are best estimates based on publicly available information.

Photos herein are the property of their respective owners. Unauthorized use of these images without the express written consent of the owner is prohibited.

