Thailand Research

Condominium

Q1 2025

An overview review of Bangkok's Condominium market in Q1 2025 by Knight Frank Thailand

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The Bangkok condominium market remains in a wait-and-see phase, with demand recovery hinging on the impact of Q2 stimulus measures. Suburban growth and luxury resilience are notable bright spots, but affordable segments face major financing challenges.

The condominium market in Q1 2025 experienced a clear slowdown, particularly in terms of new supply and sales in the low to mid-price segments, which were affected by weakened purchasing power and persistently high mortgage rejection rates. However, the government's stimulus measures-including the reduction of transfer and mortgage registration fees to 0.01% for residential units priced below THB 7 million, and the temporary relaxation of the Bank of Thailand's loan-to-value (LTV) regulations covering all price levels-may partially support the recovery of mid- to high-end demand in Q2. Nonetheless, overall purchasing sentiment remains subdued.

SUPPLY

Approximately 7,601 newly launched units were recorded, reflecting a cautious recovery among developers following continued declines in new launches over previous quarters. This figure represents an increase from 6,091 units in Q4 2024, indicating a gradual return of market confidence, supported by government stimulus such as the fee reductions and temporary LTV easing. However, when compared to the pre-COVID period (2020) or the strong rebound phase in 2022, this level of new supply remains moderate, indicating that developers are still awaiting clearer market signals and closely monitoring conditions.

A substantial concentration of new projects was observed in Bangkok's suburban areas, accounting for as much as 86% of total new supply. In contrast, only 14% of the new supply was located in the city fringe area. This highlights a strategic focus by developers on targeting value-conscious buyers who are seeking greater living space at more affordable price points.

Most new condominium projects launched were in the mid-range (Grade B) segment, representing 55% of total new supply, followed by the affordable segment (Grade C) at 45%. This aligns with the market's trend of catering to consumers with limited purchasing power amid headwinds from household debt and stricter mortgage lending criteria.

18.1%

The lowest Overall take-up rate in several quarters.

86% of new units were launched in suburban areas

Reflecting a strategic pivot towards affordability and larger space.

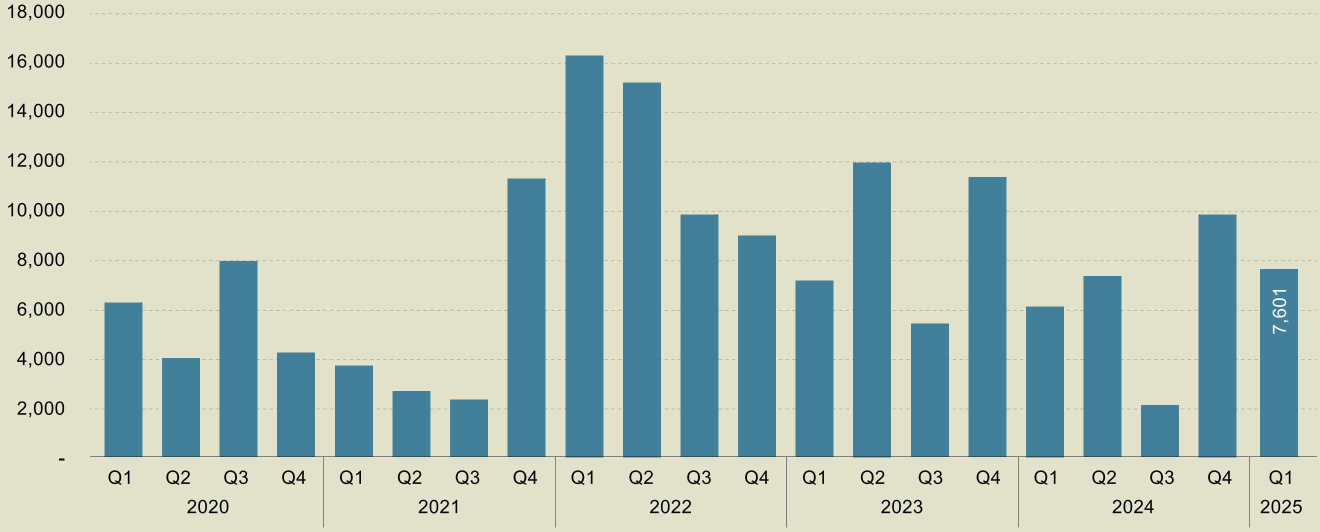
Cautious Developer Strategy

Developers are holding back new launches and focusing on managing inventory, especially in the mid- to lower-price ranges.

Luxury segment remains resilient

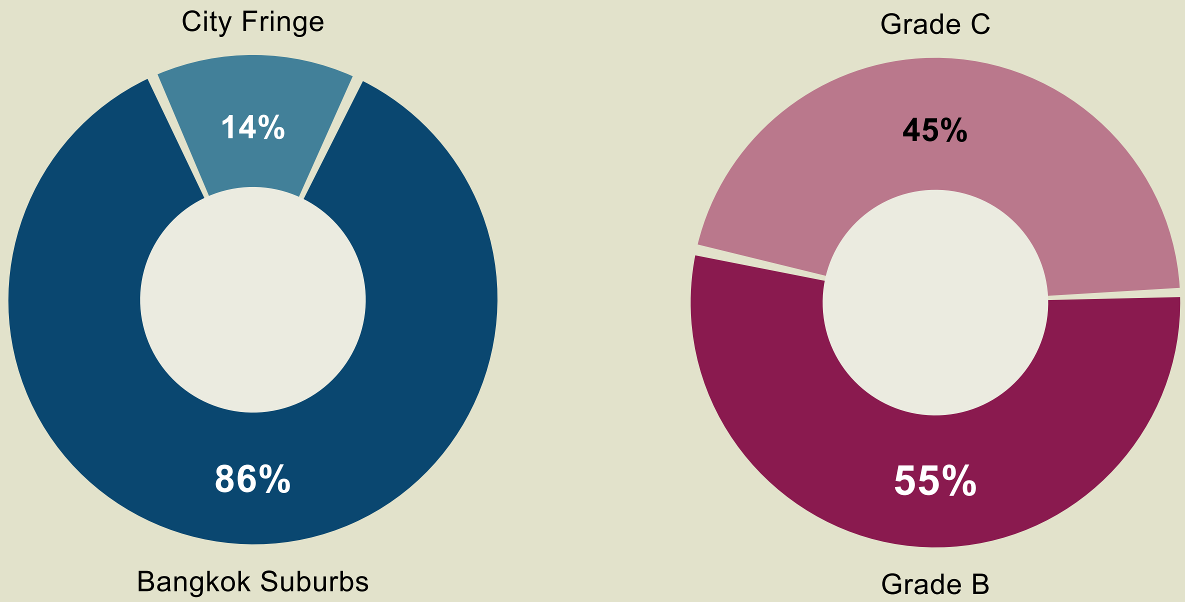
Attracting Thai and foreign high-net-worth buyers.

NEWLY LAUNCHED SUPPLY OF CONDOMINIUMS IN BANGKOK, Q1 2020 TO Q1 2025



SOURCE: KNIGHT FRANK THAILAND RESEARCH

NEWLY LAUNCHED SUPPLY BY ZONE AND BY GRADE, Q1 2025



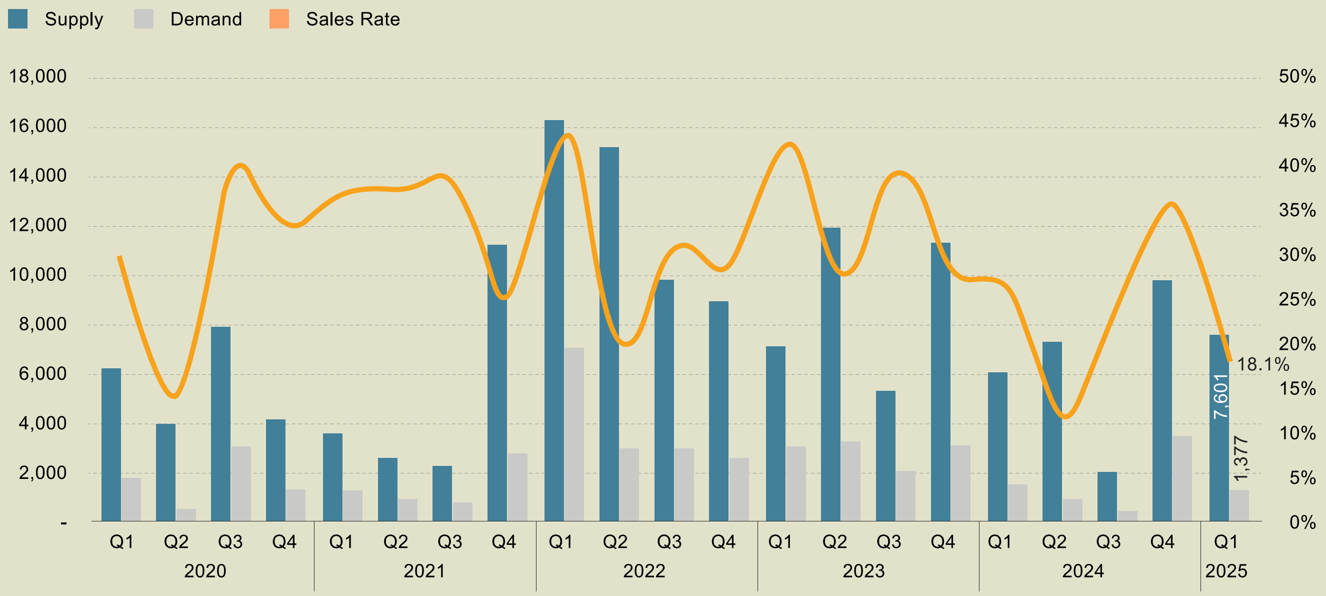
SOURCE: KNIGHT FRANK THAILAND RESEARCH

DEMAND

Condominium demand in Q1 2025 remained in a state of adjustment. Of the 7,601 newly launched units, only 1,377 units were sold, representing a take-up rate of just 18.1%—the lowest in several quarters. This illustrates that buying momentum has yet to fully recover, despite the gradual rollout of government stimulus toward the end of the previous quarter.

The market's deceleration, particularly on the buyer side, is not solely attributed to a lack of underlying demand. It also stems from a widespread wait-and-see approach among both consumers and developers. Many are delaying decisions in anticipation of clearer details regarding government stimulus measures, which are scheduled to take effect in the next quarter. This phenomenon highlights the significant short-term influence of public policy on market dynamics and suggests that delayed purchasing decisions are more prominent than any structural drop in demand. This points to a market that is temporarily pausing in preparation for an expected recovery driven by upcoming support measures. Should these policies effectively restore buyer confidence and ease purchasing constraints, the market could regain momentum in the second half of the year.

NEWLY LAUNCHED SUPPLY OF CONDOMINIUMS IN BANGKOK, Q1 2020 TO Q1 2025



SOURCE: KNIGHT FRANK THAILAND RESEARCH

ASKING PRICE

Overall, condominium asking prices remained stable:

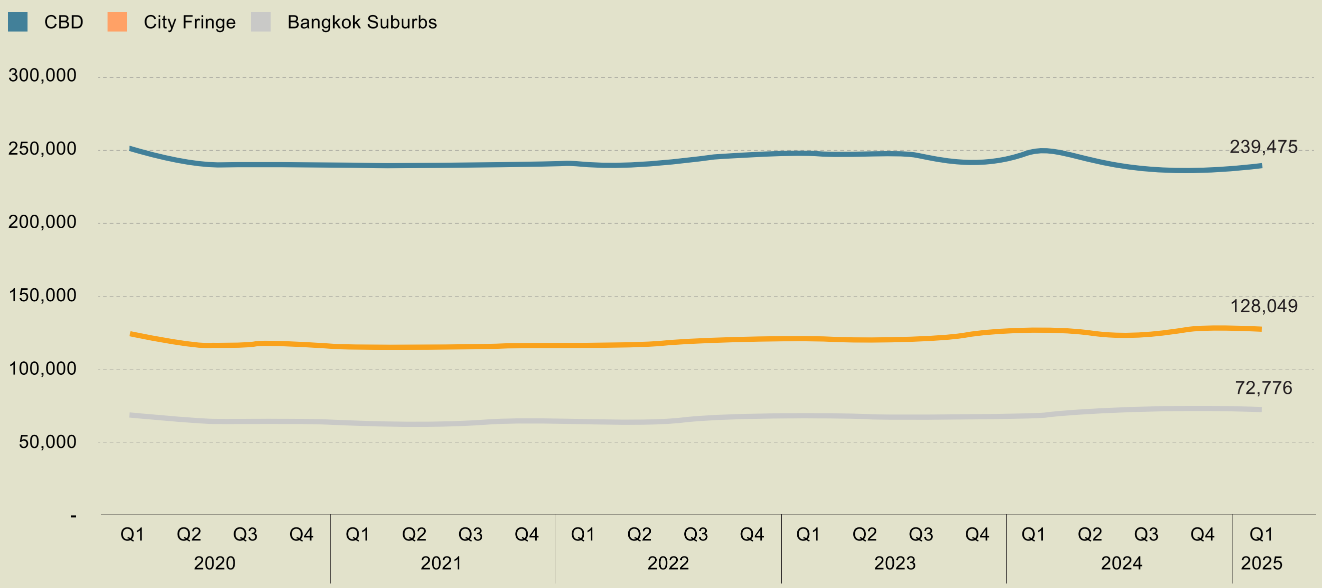
In the Central Business District (CBD), the average asking price stood at THB 239,475 per sq m, maintaining a level similar to the previous quarter, albeit down from the Q1 2024 peak of nearly THB 250,000 per sq m. This adjustment reflects developers' efforts to align pricing with real purchasing power, despite the continued presence of high-end demand in this location.

In the city fringe area, prices continued to climb, reaching THB 128,049 per sq m in this quarter-the highest level in over two years. This indicates increasing demand for locations with convenient access to the city center at still-reasonable prices.

In the suburban areas of Bangkok, the average asking price was THB 72,776 per sq m, up from the same period last year. This reflects a shift in the pricing structure of outer-city areas, which are gaining popularity among end-users seeking larger living spaces within limited budgets.

The price trends across locations clearly indicate a market that is responding to differentiated buyer needs. While high-income buyers continue to drive demand in central zones, suburban areas are seeing steady price recovery, supported by genuine end-user demand.

AVERAGE ASKING PRICE OF CONDOMINIUM BY LOCATION



SOURCE: KNIGHT FRANK THAILAND RESEARCH

OUTLOOK

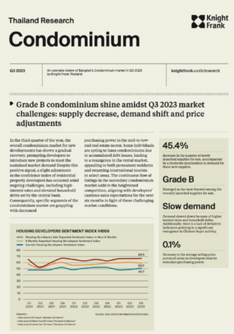
The market is exhibiting a clear bifurcation. The luxury condominium segment continues to perform well, drawing interest from both affluent Thai and foreign buyers. Meanwhile, the low- to mid-price segments continue to face significant barriers to credit access, with mortgage rejection rates for units priced below THB 3 million reaching as high as 70–80%.

Developers are likely to delay new project launches and instead focus on managing existing inventory and backlogs, particularly in the mid- to lower-end segments, where unsold supply remains high and absorption rates have declined.

In terms of foreign demand, while title transfer volumes from Chinese buyers have slowed, interest from buyers in Southeast Asia—such as Myanmar, Taiwan, and Singapore—continues to grow. This is particularly true for premium assets with clearly defined value propositions, suitable for long-term investment or as second homes.

Although the second half of the year is expected to remain challenged by issues such as constrained purchasing power, high household debt, and potentially rising construction costs from stricter building safety standards, there are still positive factors. These include supportive government policies and resilient demand in selected segments, which could stimulate a positive ripple effect—especially if unit designs align with niche preferences and offer genuine differentiation.

Recent Research



Thailand Market Half Year 2023

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.

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