

Phuket Villa & Condominium

2023

An overview review of Phuket's Villa & Condominium market in 2023
by Knight Frank Thailand

knightfrank.co.th/research


Phuket real estate market in 2023 recovered continuously in both villas and condominiums. According to tourism data in 2023, the number of foreign tourists arriving in Phuket amounted to 8,376,464, an increase of 2.5 times from last year. The largest numbers of foreigners were from Malaysia, Russia, Europe, China and India. As the government has approved free tourist visas, number of tourists visiting Phuket will be increased, especially toward the end of the year. As a result, the demand for both condominiums and villas will be increased. In addition, private investment in housing and hotel construction has resumed and expanded. As such, the supply and demand for condominiums and villas grew significantly at the same level as 2019 even though the number of

tourists was still not as much as 2019. The total supply of villas in 2023 amounted to 5,137 units, with a new supply of 740 units launched from 50 projects. The villa market supply grew 126.3% compared to the previous year and the number of new units launched for sale grew at the same level as 2019. The Cherng Talay and Bang Tao areas are still the most popular areas for villas building. The Cherng Talay and Bang Tao areas have few land remaining and land prices are rising, causing villa prices to rise accordingly. Micro-developers therefore expanded villa development to nearby areas. From data collection, it was found that newly opened villas have expanded to areas adjacent to the Cherng Talay, namely Pru Jampa and Bang Jo.

Bang Tao and Cherng Talay

are the two most popular areas for foreigners. As land available for development are scarce with higher prices, villa development is expanded to areas within 5-10 kilometers from the beach next to Bang Tao and Cherng Talay, which are in Pru Jampa and Bang Jo areas.

Foreigners' Arrival

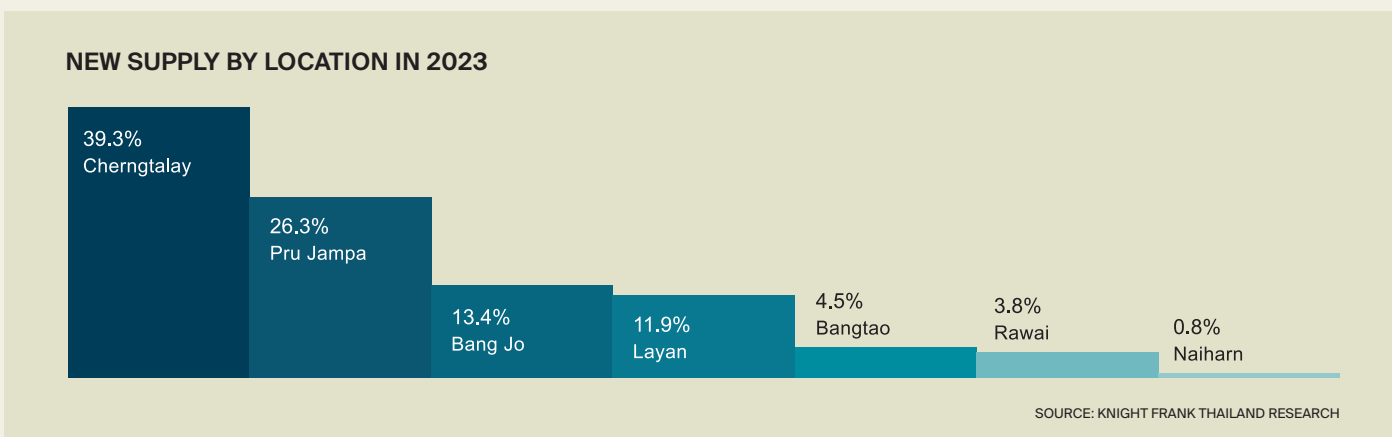
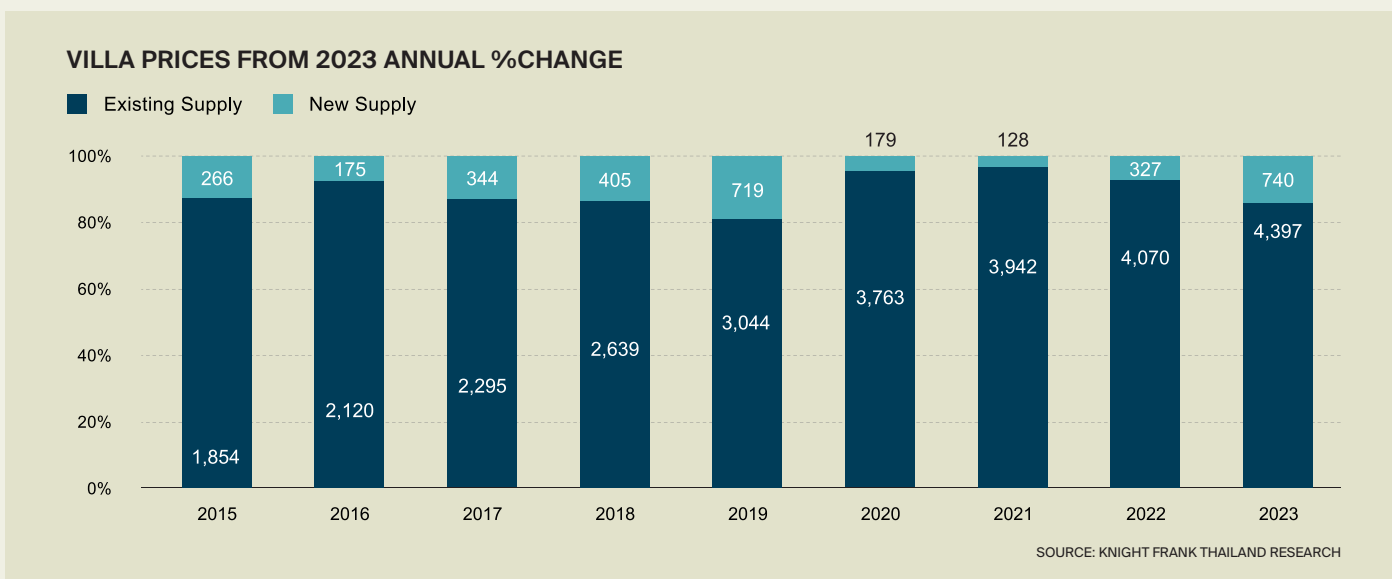
The number of international students increased due to foreigners' arrival, as such, demand for both villas and condominiums increased in terms of buying as well as renting.

3.5%

Average selling price of villas increased in 2023, whereas the price of condominiums rose by 4.8% compared to the previous year.

Phuket Villa

- ▶ The Phuket villa market gains positive demand from Russian buyers who continuously buying properties for a living. The number of new units launched for sale in 2023 increased 740 units, or a sales rate of 126.3% compared to 2022, and sales grew 651 units, or a sales rate of 109.3% compared to 2022.



According to the Knight Frank research department, it was found that the villa market in Phuket is expanding well, reflected by the sales rate for the past 12 months of 2023. There were 651 villas sold and the sales rate increased 109.3% compared to 2022, mainly due to the large number of Russian

tourists. They purchase a villa to live in with the family as a second home or as an investment. Therefore, the villa market this year is growing well as it is driven by Russian and European buyers, especially in the Bang Tao and Cherng Talay areas, which have the highest number of units sold compared

to other areas at a similar rate of 32%, or 60% of total units sold. These areas are very popular because of the comprehensive amenities. Thus, villa projects around these areas are quite expensive. Most wealthy foreigners prefer to live around here.

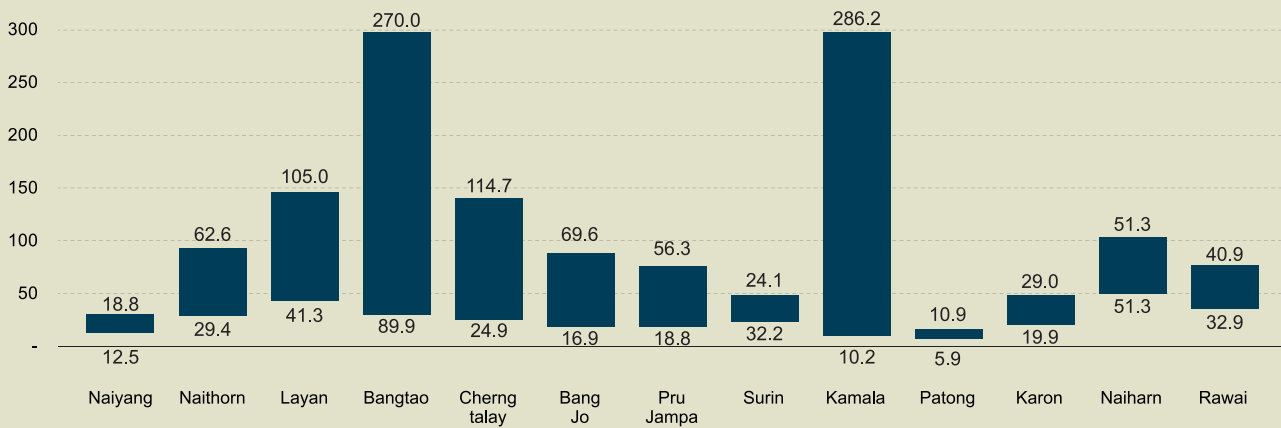
NUMBER OF NEW VILLA UNITS SOLD THROUGHOUT ANNUAL CLASSIFIED BY ZONE

Zone	Full year 2015	Full year 2016	Full year 2017	Full year 2018	Full year 2019	Full year 2020	Full year 2021	Full year 2022	Full year 2023
Naiyang	3	2	1	1	0	0	0	8	2
Naithorn	2	2	0	0	0	0	0	0	0
Layan	15	9	7	12	9	18	10	11	20
Bangtao	57	135	62	72	68	34	69	101	213
Cherngtalay	14	10	1	10	20	57	58	192	210
Bang Jo	0	0	0	0	0	0	0	0	28
Pru Jampa	0	0	0	0	0	0	0	0	75
Surin	8	16	32	29	29	3	12	5	21
Kamala	17	14	42	40	71	38	17	5	41
Patong	1	8	74	138	135	15	6	0	10
Karon	2	0	0	5	7	1	0	1	1
Kata	0	3	0	2	8	4	0	0	0
Naiharn	7	10	12	14	11	2	7	10	4
Rawai	44	18	15	55	47	21	7	-22	26

SOURCE: KNIGHT FRANK THAILAND RESEARCH

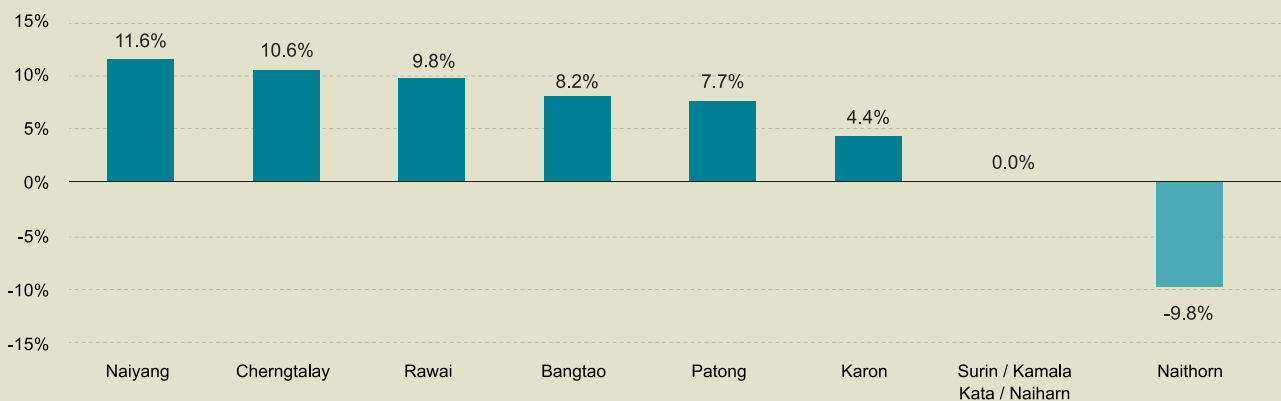
PRICE RANGE FOR VILLAS

MILLION BATH



SOURCE: KNIGHT FRANK THAILAND RESEARCH

VILLA PRICES FROM 2023 ANNUAL %CHANGE



REMARK:
AREAS WITH LOWER SELLING PRICES ARE AREAS WHERE THE PROJECT AGED MORE THAN 10 YEARS
AND CURRENTLY THERE ARE NO NEW PROJECTS OPENING IN THAT AREA.

SOURCE: KNIGHT FRANK THAILAND RESEARCH

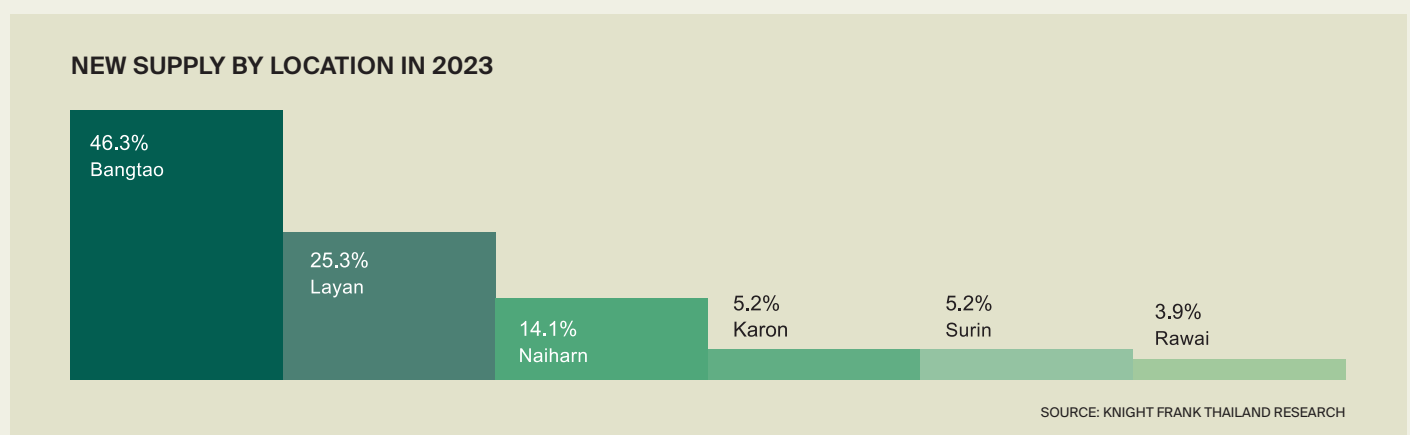
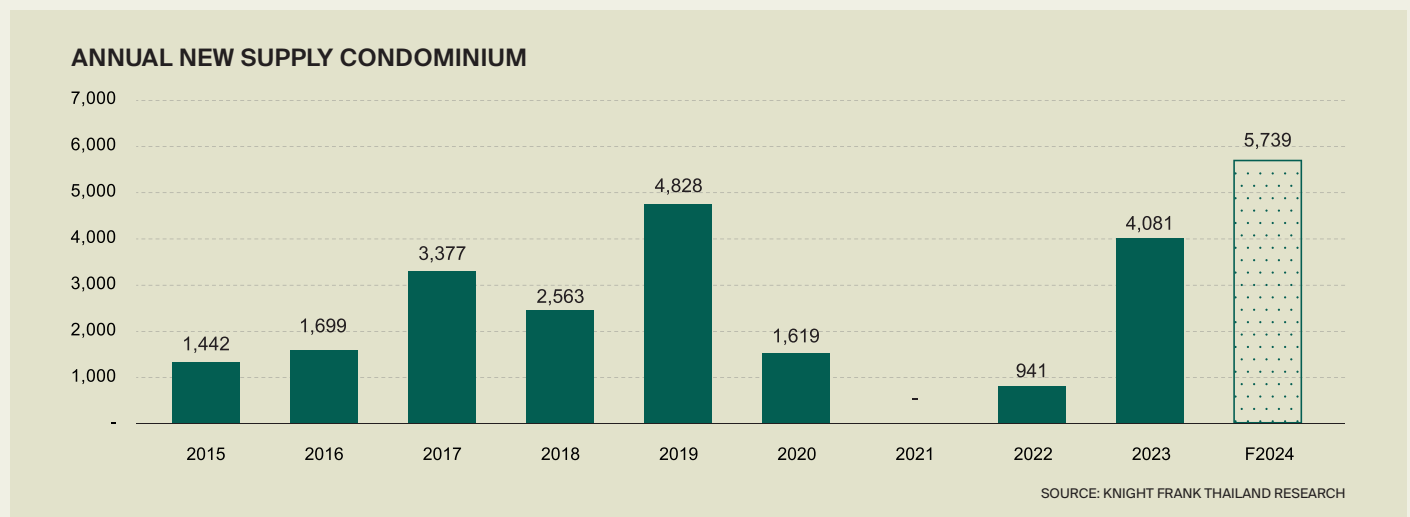
Phuket Condominium

- ▶ The condominium market shows positive growth compared to the previous year. The number of new units launched for sale in 2023 increased 4,081 units, or an increase of 333.7% compared to 2022, and sales grew 3,892 units, or a sales rate of 393.2% compared to 2022.

The total supply of condominiums in 2023 amounted to 28,057 units. Condominium market supply has also grown significantly, with a new supply

of 4,081 units, an increase of 333.7% compared to the previous year. Most of new project launched for sale were in the Layan and Bang Tao areas.

It is projected that there the supply in 2024 will grow more than those in 2023, an increase of 50%.



Demand for condominiums this year is more favorable than last year. In 2023, the number of units sold amounted to 3,852 units or an increase of 393.2% from the previous year, which was significantly similar to 2019. Even though the number of arriving tourists was

still lower than in 2019, the number of units sold reached the highest level compared to the total unit sold in the past.

It is implied that Phuket condominiums are recovering well in parallel with the

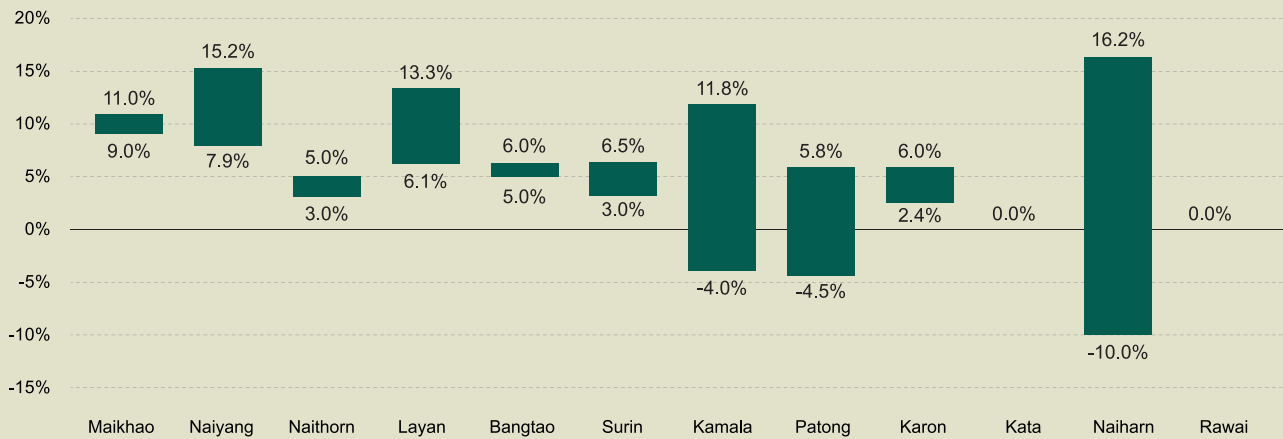
number of arriving tourists. The areas that they choose to buy are the Layan and Bang Tao areas, accounting for 58% of the total number of units sold. For the selling prices, it was found that prices in every area increased with an average rate of 4.8%.

NUMBER OF NEW CONDOMINIUM UNITS SOLD THROUGHOUT ANNUAL CLASSIFIED BY ZONE

Zone	Full year 2015	Full year 2016	Full year 2017	Full year 2018	Full year 2019	Full year 2020	Full year 2021	Full year 2022	Full year 2023
Maikhao	48	22	159	200	190	60	75	91	94
Naiyang	22	98	298	158	147	97	39	123	151
Naithorn	29	2	2	2	19	53	14	59	74
Layan	0	0	0	0	227	452	167	12	1,385
Bangtao	74	166	349	495	730	192	18	55	849
Surin	133	318	248	208	554	125	275	36	213
Kamala	79	258	161	277	219	91	71	13	258
Patong	343	254	186	263	196	54	235	15	86
Karon	52	80	182	204	142	66	1	56	87
Kata	66	114	80	117	80	43	6	59	16
Naiharn	0	0	329	364	178	119	72	87	524
Rawai	272	185	332	217	708	45	36	175	115

SOURCE: KNIGHT FRANK THAILAND RESEARCH

CONDOMINIUM PRICES RANGE FROM 2023 ANNUAL %CHANGE



SOURCE: KNIGHT FRANK THAILAND RESEARCH

KEY TRENDS TO MONITOR

Tourism

Free tourist visas in many countries will increase demand for both short-term and long-term rental villas and condominiums.

Land Price

Land in areas close to the beach like Bang Tao and Cherng Talay, including beachfront land in other important areas will have a higher selling price. This may cause small developers to move their project developments to other nearby areas or away from the beach because they cannot compete with major developers with better economy of scale.

Foreign Buyers

Development projects in popular areas will create demand mainly from foreigners, especially the wealthy ones. This group is interested in villas for living and condominiums for investing.

Private Sector Investment

Private developers see investment opportunities and gradually enter the market. The development tends to be a mixed-use project, which will further increase competition in real estate and may put pressure among local developers.

FUTURE TRENDS

FORECASTING VILLA MARKET OF SUPPLY DEMAND AND PRICE IN 2024 BY AREAS

Location	Supply	Demand	Arking Price
Naiyang	▼	▼	8-10%
Naithorn	-	▼	-
Layan	▲	▲	8-10%
Bangtao	▲	▲	8-10%
Cherngtalay	▲	▲	8-10%
Bang Jo	▲	▲	3-5%
Pru Jampa	▲	▲	3-5%
Surin	-	-	-
Kamala	▼	-	-
Patong	-	▼	5-7%
Karon	-	▼	3-5%
Kata	▼	▼	-
Naiharn	▲	▲	3.5
Rawai	▲	▲	8-10%

SOURCE: KNIGHT FRANK THAILAND RESEARCH

FORECASTING CONDOMINIUM MARKET OF SUPPLY DEMAND AND PRICE IN 2024 BY AREAS

Location	Supply	Demand	Arking Price
Maikhao	-	-	8-10%
Naiyang	▼	▲	8-10%
Naithorn	▼	▲	-
Layan	▲	▲	8-10%
Bangtao	▲	▲	5-7%
Surin	▼	▲	3-5%
Kamala	-	-	3-5%
Patong	▼	▲	-
Karon	▲	▲	3-5%
Kata	-	-	-
Naiharn	▼	▲	8-10%
Rawai	▼	▲	-

SOURCE: KNIGHT FRANK THAILAND RESEARCH

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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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