

Good news for the Hua Hin condo market as tourism drives sales



Hua Hin is popular with property buyers due to its beaches and proximity to Bangkok. The Hua Hin condo market has performed better than expected in 2019, according to research from Plus Property. Condo units near the beach area of Hua Hin were the most popular among buyers with a sales rate of 81 percent during the first six months of this year. That's due in part to this being the most affordable area for condos in the seaside city.

Some 3,700 units, or 70 percent of the condos for sale during the survey, were from projects clustered near the beach. The near beach zone has the highest sales ratio with an average sales price of 88,000 THB per square metre, almost 30 percent lower than the average for the beachfront zone of 120,000 THB per square metre," Plus Property Deputy Managing Director of Business Strategies and Asset Management, Suwannee Mahanarongchai, explained.

Plus Property has identified three distinct zones within Hua Hin where condos are being developed. These are the beachfront zone, the near beach zone and the hillside zone. The near beach zone is the most popular since it is less expensive than the beachfront zone, but still close enough to the sea to be attractive to buyers.

A key driver of the Hua Hin condo market is the city's popularity among domestic and international visitors. While tourist arrivals in other parts of Thailand have waned this year, Hua Hin hasn't dealt with this fluctuation as the area remains one of the most popular holiday destinations for Bangkokians.

The number of Thai and foreign visitors coming to Hua Hin during the past five years has grown by 6 percent annually. There is room for further growth as well with a high-speed rail project and an airport expansion in the pipeline. The latter project could lead to an uptick in flight arrivals after Air Asia launched service between Hua Hin and Kuala Lumpur in 2018.

Last year saw the Hua Hin condo market stagnate as developers had launched projects that didn't offer what buyers wanted. According to Knight Frank, homebuilders learned from past mistakes and focused on finding ways to blend functionality with the ambiance of the city. This is something that also helped propel the Hua Hin condo market in 2019.