

Magnolia in B5bn condo launches

Magnolia Quality Development Corporation Ltd (MQDC) plans to launch two new condo projects worth a combined 5 billion baht in the second half.

The property company, which is owned by the Chearavanont family, aims to have 8 billion baht in presales this year.

Deputy chief operating officer Thanomsak Kaeokhiao said in the second half the property market would gradually rebound as residential demand remained strong, driven by the government's movement on mass transit projects in Greater Bangkok. "Interest rates are low and consumer purchasing power is still healthy for middle to upper income earners. Lower income people are feeling the pressure from the economic slowdown," he said.

The company is confident about condo demand along mass transit lines, so its two new projects will be located near skytrain stations. One is near Talat Phlu station, where it will develop a highrise condo worth 2.5 billion baht.

Despite massive condo supply at the location, as Supalai Plc has a project totalling 879 units launching later this month, MQDC is confident because its building is closer to the station.

The Magnolia units will have a starting price of over 100,000 baht per square metre for condos from 25 sq m, said Mr Thanomsak. The other project is phase two of Whizdom Connect Sukhumvit worth 2.5 billion baht located on Sukhumvit Soi 101/1 near Punnawithi station where former sport club Piyarom was located.

As of May 30, 2015, the company posted 4 billion baht in presales and expects to have 8 billion by the end of the year, up from less than 1 billion at the same time last year.

"We had no new projects launched in 2014 and focused on remaining units at existing projects," said Mr Thanomsak, a former executive vicepresident of SET listed developer Ananda Development Plc who joined MQDC a year ago.

In the first five months, the company launched two condo projects worth a combined 5.5 billion baht.

They include Whizdom Avenue RatchadaLadprao near the Lat Phrao subway station, worth 2.7 billion baht, now 80% sold. Phase one of the Sukhumvit 101/1 site was launched earlier this year with a sales value of 2.8 billion baht and is now 60% sold.

