

Published on 04/06/2015

Noble set to resume new project launches

SETlisted

developer Noble Development Plc expects four projects worth a combined 13 billion baht planned for launch between June and December to help boost presales to 10.2 billion baht this year. Chief executive Kitti Thanakitamnuy said the company's presales in the first five months were less than 1 billion baht, as no new projects launched during the period.

All sales for the year through May came from remaining units at four existing condo sites on Chaeng Watthana Road, Phloenchit Road, Ratchadaphisek Road and Soi Ari, where 30%, 70%, 60% and 96% of units have sold, respectively.

The company also has about 200 single house and townhouse units worth a combined 1.4 billion baht at various sites remaining for sale. Half of those are finished, ready for transfer to customers.

Noble, which celebrates its 25th anniversary this year, aims for 2 billion baht in sales from existing projects and 8.2 billion baht from new projects, up from 6 billion baht in total sales last year. "Political stability, if it continues, will drive the overall Thai economy in the next 12 months, as the main economic boosters besides tourism were poor," Mr Kitti said. "Exports were weak and private investment slowed down, particularly from foreign investors."

Local consumption was dampened by high household debt, which Mr Kitti believes to be higher than the official 85.9% of GDP when informal debt is included. "Residential demand in the middle to lower end segment was very poor as the segment faced high household debt," he said. "Their income was stagnant, but the cost of living was higher." The four new projects will be three innercity condo sites and a single house project in the Watcharapol area, all targeting the middle to upper end. The first, Noble BE33, will open for registration tomorrow.

The 31storey condo on two rai of Sukhumvit Soi 33 will comprise 277 units sized 34139 square metres and priced from 210,000 baht a sq m. Noble recorded a firstquarter net loss of 104 million baht on revenue of 42.9 million baht, compared with a net profit of 115 million baht in the same period last year. No condo projects were completed and transferred during the quarter, a condition that will persist throughout 2015.

NOBLE shares closed yesterday on the SET at 12.80, unchanged, in trade worth 2.34 million baht.

