CB RICHARD ELLIS

MarketView
Phuket Residential

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Second Quarter 2011

Quarterly Highlights – Condominium and Apartment

- The average asking price (for primary sales) was THB 13.8 million per unit.
- The number of completed resort condominiums as at Q2 2011 reached 3,300 units, up 30% Y-o-Y and 3% Q-o-Q.
- 71% of resort condominium units (completed, under construction, and planned) have been sold.

Quarterly Highlights – Villa

- One project comprising of five villas was completed this quarter. The total stock of completed villas increased to 2,813 units within 196 projects. We estimate that there are 934 units under construction or being planned in 73 projects.
- Over fourty villas were sold in this quarter, more than double that of the previous quarter.
- This quarter also witnessed strong sales in high value off-plan developments (6 units sold), including sales at luxury projects such as Istana and Malaiwana.

CBRE Thailand

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The resort property market continues to strengthen across virtually all sectors. This is despite moving into the low season for tourist arrivals which affect quarters 2 and 3.

Good News; Developers and property agents are all reporting increasing enquiries and these are now being translated into sales. We see a buoyant villa market with demand returning to the luxury sector. In the condominium market, demand is strongest for condominiums priced below THB 10 million.

Condominium and Apartment

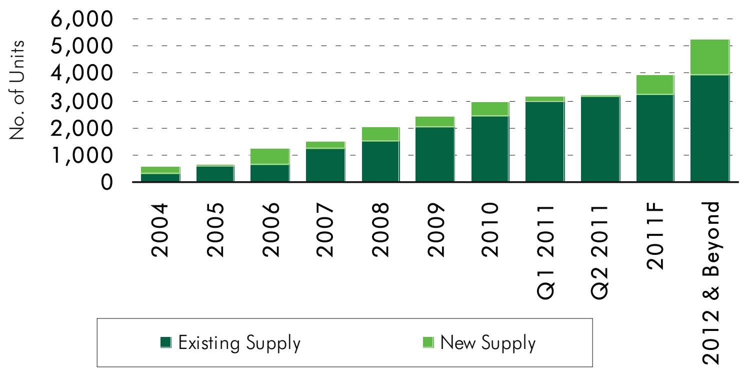
Price of Condominium Projects being Marketed, Q2 2011

LOCATION	PRICE/UNIT PRICE RANGE*			AVERAGE*
East Coast (North)	12,830,000	-	98,000,000	27,036,417
East Coast (South)	15,010,000	-	34,120,000	21,201,000
Inland	2,390,000	-	15,750,000	5,922,348
South Coast	2,990,000	-	35,500,000	8,223,705
West Coast (Central)	2,232,000	-	60,000,000	16,447,504
West Coast (North)	7,000,000	-	44,000,000	16,431,880
West Coast (South)	1,943,000	-	55,011,994	10,673,742
TOTAL	1,943,000	-	98,000,000	13,832,933

Source: CBRE Research

The average asking price of condominium was approximately THB 13.8 million per unit.

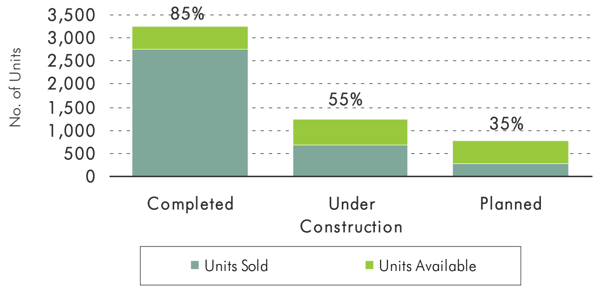
Total Completed Condominium Supply, 2004-Beyond 2012



Source: CBRE Research

The number of completed resort condominiums as at Q2 2011 reached 3,300 units, up 30% Y-o-Y and 3% Q-o-Q.

Condominium Sales Performance by Construction Progress, Q2 2011

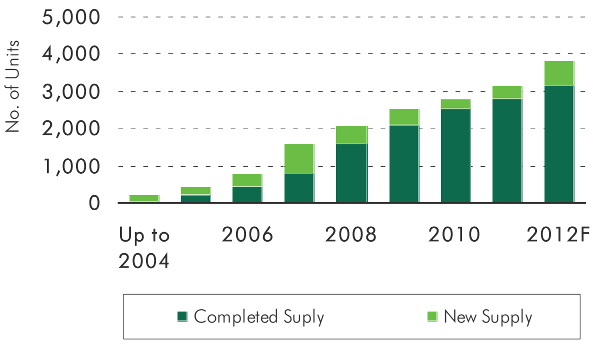


Source: CBRE Research

We estimate that 71% of resort condominium units have been sold.

Villa

Total Completed Villa Supply, 2000-2012F

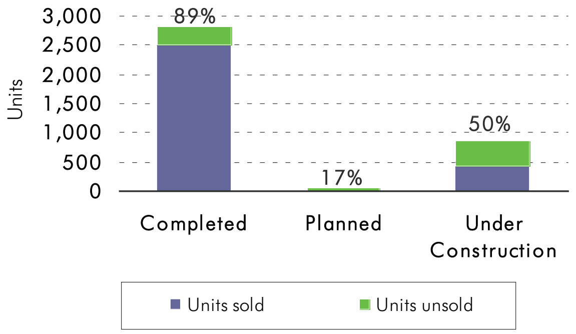


Source: CBRE Research

The total stock of villas increased to 2,813 units with the completion of Anchan Villa Phase II, an entry-level development with five units, located in the Central West Coast area.

We anticipate the completion of 348 villas by the end of the year and a further 647 villas in 2012. Five new projects were launched this quarter.

Villa Sales Performance by Construction Progress, Q2 2011



Source: CBRE Research

Completed developments continue to outperform off-plan primary sales with 89% of all completed units sold compared to only 50% of off-plan units sold.

Price of Villa Projects being Marketed, Q2 2011

GRADE	MINIMUM PRICE	MAXIMUM PRICE	AVERAGE PRICE	% CHANGE Q-O-Q
Entry-level	THB 5,500,000	THB 23,900,000	THB 14,700,000	0.0%
Mid-range	THB 9,590,000	THB 43,000,000	THB 26,295,000	3.9%
High-end	THB 24,000,000	THB 120,000,000	THB 72,000,000	2.1%
Luxury	THB 72,000,000	THB 299,000,000	THB 185,500,000	0.8%

Source: CBRE Research

Outlook

We believe Phuket is moving towards a very active high season (quarter 4) this year. With the national elections out of the way and Thailand's first female Prime Minister taking office, it would appear that Thailand is entering by a period of stability supported by pro business and property policies.

Several groups including CB Richard Ellis have tabled suggestions for strategic improvement in the foreign property ownership structure, but as yet no clear government policy has emerged.

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Phuket Property Report

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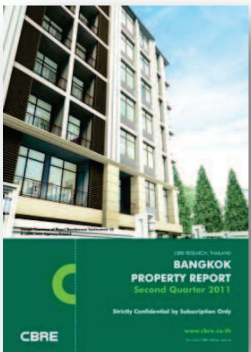
The report provides detailed information and analysis from CB Richard Ellis' comprehensive and unrivaled Phuket and overall Thailand database, combined with our own exhaustive market and property surveys.

Bangkok Property Report



The Bangkok Property Report, now in its 13th year, is CB Richard Ellis Thailand's flagship quarterly subscription publication, with data from a tried and tested database reinforcing its reputation as Bangkok's definitive property sector source.

The Bangkok Property Report provides in-depth analysis of the Bangkok real estate market, including property supply and demand, occupancy, take-up, prices, rental trends and other indicators.

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