

Tourism Boom Drives Unprecedented Level of Residential-led Hospitality Investments in Phuket: C9 Report

Award-winning Hong Kong developer Lan Kwai Fong Group unveils modern lifestyle concept Sudara Residences steps from Bangtao Beach in Phuket, following the success of its ultra-luxury Andara Resort & Villas



(Left to Right) Bill Barnett, Managing Director, C9 Hotelworks, Paul Ashburn, Co-Managing Partner, HLB Thailand, Piyawanee Watanasakolpant, Counsel, Chandler Mori Hamada, Jason Thelen, Senior Director of Sales and Marketing, Sudara Residences, David Johnson, Chief Executive Officer, Delivering Asia

BANGKOK, THAILAND – Thailand’s tourism boom is driving lifestyle investments as traveller traffic morphs into a desire to stay longer in the country. The number one beneficiary is Phuket where arrivals continue to soar, with a 23% increase in 2024 compared to the previous year for a total of 8.65 million arrivals registered at Phuket International Airport.

The key trend emerging, according to a new report by leading hospitality and real estate consultancy, C9 Hotelworks, focuses on the rental market which is seeing a significant uptick in levels of investment from regional Asia markets into resort-style condominium units in prime areas.

“The shift we are seeing is that tourism is driving a long-stay rental market on the island,” said Bill Barnett, Managing Director of C9 Hotelworks, speaking at the C9 Sessions event. “This is the destination’s marketing funnel for a residential-led hospitality market and regional buyers from Thailand, Singapore and Hong Kong are leading the way.”

The surge in interest in lifestyle investments is not lost on some of the island’s most successful developers with Hong Kong’s Lan Kwai Fong (LKF) Group, famed for its Andara Resort & Villas

SUDARA

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development in Kamala, launching a sister brand, Sudara, in the hot spot beach district of Bangtao.

Sudara Residences Phuket is an example of the new generation of resort-style projects attracting regional buyers looking for lifestyle options and rental returns. It offers 220 bright one- to three-bedroom residences ranging from 52 to 144 square metres in size, including options with private pools. Sudara's main clubhouse, the Pavilion, features outdoor pools, an alfresco lounge with cabanas, a kids' club, fitness centre, Silk café, yoga space, and co-working areas, all supported by management and concierge services from the ultra-luxury Andara Resort & Villas. The project will be completed by 2027.



Dr. Allan Zeman, Chairman and Founder of the Lan Kwai Fong Group

Dr. Allan Zeman, Chairman and Founder of LKF Group said: “Our Thai investment story started with Andara and we have now come full circle. We went from property to hospitality and now back to residential with Sudara. We see Thailand’s tourism momentum as a key catalyst for growth to capture the two synergies of hospitality and residential and the increase in regional buyers are playing a key role in our success.”

Phuket is experiencing strong demand from Asian buyers, particularly in Hong Kong, where the LKF Group is headquartered. Sudara Residences Phuket reports that most regional sales come from Asia-based locals and expatriates, driven by factors such as affordability and accessibility.

BANGKOK

SERVICED APARTMENT MARKET UPDATE, MARCH 2025

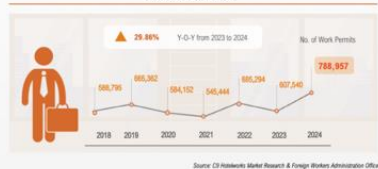
Serviced Apartment Operators Prioritize Short-Stay Demand Despite Rising Expatriate Population

Bangkok's serviced apartment market has expanded at a 6.2% compound annual growth rate (CAGR) over the past decade, driven by the expansion of international brands such as The Ascott Limited, Marriott, and IHG, as well as domestic operators including Chatrium and Centre Point. The market now comprises 21,509 keys across 120 properties, with an additional 2,319 keys across 11 developments in the pipeline.

Historically, long-stay demand for serviced apartments in the Sukhumvit area was driven by Japanese expatriates on extended work assignments in Bangkok and the Eastern Economic Corridor. However, as companies have reduced housing allowances for expatriates, demand from this segment has declined. As a result, the market has shifted from annual contracts to shorter long-term stays, typically from one to six months, supported by guests seeking interim housing during relocation, digital nomads, and medical tourists.

Currently, demand is primarily driven by short-stay guests staying for less than a month, including travelers from Japan, China, South Korea, the Middle East, India, and Europe. This segment mainly consists of families who favor serviced apartments for their larger living spaces and in-room amenities, such as kitchenettes and washing machines, over traditional hotel accommodations.

Bangkok Expatriates



SERVICED APARTMENT MARKET PERFORMANCE TRENDS

Commercially, internationally branded upscale to luxury serviced apartments are trading above pre-pandemic levels, with Revenue per Available Room (RevPAR) increasing by 3.4% from THB3,105 in 2019 to THB3,211 in 2024. This growth has been driven by a 9.7% rise in Average Daily Rate (ADR). However, occupancy has declined by 4.7 percentage points over the same period, reaching 77.5% in 2024, due to a shift towards rate-driven commercial strategies and an increase in serviced apartment supply, particularly in the Sukhumvit area.

Upscale to Luxury Serviced Apartment Performance



In Bangkok, rental rates are highly sensitive to location and brand positioning, with premium pricing commanded by internationally branded serviced apartments in central areas such as Siam/Ratchadamri and Sukhumvit. Average monthly rental rates for one-bedroom units range from THB50,000 for midscale serviced apartment products to THB94,500 for luxury serviced apartments. These rates typically include housekeeping services and linen changes 2 to 3 times per week, as well as unlimited water and electricity usage.

Monthly Rental Rate for One-Bedroom Unit by Chain Scale



BANGKOK TOURISM SNAPSHOT

Bangkok's tourism market is steadily recovering to pre-pandemic levels, with total passenger arrivals into Bangkok increasing by 17.9% from 2023 to 2024, reaching 46.46 million passengers in 2024. The top five source markets include China, leading with 5.6 million arrivals, followed by India (1.7 million), South Korea (1.5 million), Japan (1.1 million), and Taiwan (1 million). The overall outlook for Bangkok's tourism market remains positive, supported by key infrastructure developments such as the expansion of Suvarnabhumi International Airport and Don Mueang International Airport. Additionally, major events, including the Siam Songkran Festival in April 2025, are expected to further boost visitation and reinforce Bangkok's position as a leading global tourism hub.

Bangkok Passenger and Flight Arrivals



Top 5 International Source Markets



C9 Hotelworks' report reveals that for the equivalent price of a two-bedroom condo in Singapore, investors can snap up a five-bedroom pool villa in Phuket, while a luxury car is approximately 60% less expensive in Thailand. For families, international school fees are on average 42% lower in Phuket than in Singapore. With high taxation and stamp duty on second homes in Singapore, and almost 150 weekly flights now operating the two-hour hop between Singapore and Phuket, the advantages of resettlement or investment on the shores of the Andaman Sea are clear.

"Our forecast is that global and regional migration trends are going to continue to fuel growth in investment properties. In a volatile marketplace investment flight to Thailand as a safe haven is an attractive long-term proposition with people looking for recurring yields and stabilised returns from long term rentals," added Barnett.



Sudara Residences Phuket

Download report here: <https://c9hotelworks.com/wp-content/uploads/2025/03/Bangkok-Serviced-Apartment-Market-Update-March-2025.pdf>

SUDARA

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For more about Sudara, visit the Sudara exclusive showcase and learn about special buyer incentives [Saturday, 15th March 2025, 11 AM – 6 pm, InterContinental Bangkok \(BTS Chidlom\)](#).

Learn more at sudaraphuket.com, email sales@sudaraphuket.com, or follow us on IG [@sudaraphuket](#).

Download hi-res images [here](#).

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ABOUT SUDARA

Sudara is the premium residential community located just 500 metres from one of Phuket's most sought-after coastline, Bangtao Beach, Phuket. This joint development is under the helm of Princess Villas Ltd, the Lan Kwai Fong Group, and their other Thai partners. Sudara has appointed the property management to Andara, the team from ultra-luxury Andara Resort & Villas, one of the top multi-million-dollar residence and villa estates in Phuket, who also manage Andara Signature Villas and Aquella Lakeside Villas.

ABOUT PRINCESS VILLA LIMITED

Princess Villa Limited (PVL) is highly reputable in the development and management of premium lifestyle properties, with a team of award-winning property developers with over twenty years of luxury and innovative lifestyle concepts development in Phuket, setting exceptional new standards in residential, office, and resort developments.

ABOUT LAN KWAI FONG GROUP

Lan Kwai Fong Group (LKF Group), founded by entrepreneur and businessman Dr. Allan Zeman (GBM, GBS, JP), is involved in a variety of sectors across Asia. Over four decades, Lan Kwai Fong Group has built its high-rise reputation from the ground up with award-winning property development, operations, scene-making hospitality, and best-in-class lifestyle brand to shape spaces, enhance lives, and bring people together. Andara Resorts & Villas and Andara Signature (Phuket, Thailand), Aquella in Phang Nga Thailand, California Tower in Hong Kong as well as Lan Kwai Fong Chengdu are amongst the most celebrated property developments by the Lan Kwai Fong Group.

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