
Rising of the Mixed Use Complex and New Bangkok CBD

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How the mix-used complex is being developed in Bangkok

- Primarily, due to the limited space in the cities, the rising of land prices and heavy traffic congestion, the property developers would need to utilize the space they have in order to create the more effective mix-used complexes to respond to the changing demand.
- Nowadays, single-used properties have less competitive advantage over the mix-used due to the change in millennial's lifestyle. Time is now becoming more essential for them, hence, they tend to seek for the residential venue that is closer to their workplace, due to the problematic commuting time. So, they would have longer leisure time to spend with their friends and family.
- For the property developers' aspect, the mix-used project will diversify their revenue stream and make their revenue more stable. The developer could utilize the limited space they have more effectively. For instance, not only just the tenants who could use the complex, but during the weekdays, the office workers could use the parking lots to park their cars, and during the weekends, the outsiders like the shoppers of the retail shops could use the parking space too. This strategy would make the best use of the complex's spaces and functions efficiently.
- Not only just Bangkok, but other big cities in Southeast Asia are also continuously developing the mix-used projects such as the Marina One in Singapore and the South Quarter in Jakarta, Indonesia
- In addition, since the cost of land in the cities is tremendously rising over the past few decades and the scarcity of available space for mix-used project development, therefore, the central business district should be expanded further to the suburban areas.

Oversupply in the mix-used projects is being concerned.

- However, the CBD in the next couple of years is expected to rise and abundant amount of supply will be needed due to the growing demand. Nevertheless, the developers tend to be more selective on opting for the right locations for the right investment.

The Challenges that restricted foreign investment opportunities

- The obstacle that the Thai property developers and potential foreign investors encounter is that it is burdensome for foreigners to access due to the short term land lease (up to 30 to 50 years of ownership) according to the government's rules and regulations, unlike Jakarta, foreign investors are allowed to own the property. Thus, the government support is needed to increase foreign investment opportunities.
