

INTERVIEW SOCIETY

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Escape from the urban jungle to tranquil Rayong



Rayong— It is incredible that this coastal town which is just an hour's drive from Pattaya is as quiet on weekdays as its better known neighbor is crowded and for this reason truly a haven from the hustle and bustle of city life.

A recent visit to Mae Phim beach where Logans Thailand Company is concurrently building its ninth and tenth project, the adjust Grand Beach Condominium I and II, was astounding because the sparklingly clean beach was practically deserted and so few vehicles passed by.

PasiMarjamaki, a director of Logans who hails from Finland, said Scandinavians prefer buying property in Thailand with all other countries trailing way behind.

"They like everything, the climate, the lifestyle, the people, the food - when Scandinavia has its worst weather you have your best here.

"It is probably still Phuket and Krabi which are most well-known and that's where people go but a lot of them have already been there several times so are now looking for other places to visit here - they don't want to move away from Thailand because they like everything here - and Rayong is among those they consider."



Of course the added attraction is that holidaying in Rayong is a lot cheaper than Phuket and Krabi and thereby a two-week stay could be extended to three or even four.

"Thailand started to become a big name in Scandinavia around five to eight years ago and it was people who had retired or

were close to retiring who first bought property in Rayong.

"However things have now changed as young families and middle-aged folk too are buying so there is now a good mix of all different segments."

Although next door neighbor Malaysia has offered a more attractive package to overseas property buyers with this including landed property purchase, renewable 10-year multiple entry visa and exemptions from import and excise duties as well as sales tax when bringing in a car or buying a locally-assembled one MrMarjamaki pointed out that despite this push Malaysia has not been able to draw as many foreigners as Thailand has done.

"I mean Malaysia is a nice country, absolutely there is no doubt about that, but it's still very, very different from Thailand when it comes to the culture and the people."

Although previously Scandinavians purchased almost every unit that Logans built things have changed over the last couple of years with half of the buyers now being Thai and among foreigners purchasing the remainder is a good mix of Scandinavians and other nationalities such as Australians, Britons and Germans.

However in MrMarjamaki's opinion this has nothing to do with the massive flooding of the capital in the last quarter of 2011 and more so because Rayong area is attracting the interest of both Thais and foreigners who want to avoid the more touristy destinations.

"It's easy to reach from Bangkok, there are no traffic jams on the way and it takes just two hours. Pattaya is nearby as is Koh Samet and Koh Chang so this is like in the middle of everything."

Although some people are concerned about industrial pollution with Map Ta Phut estate being located in this very province MrMarjamaki pointed out that this complex is in fact close to Pattaya and most of the executives and better-paid

workers actually prefer living in Pattaya and Bang Saray rather than on Mae Phim beach.

Despite the exciting announcement of the construction of a high-speed rail line to Rayong it seems property developers here have yet to benefit from this significant move as underscored by Logans not registering increased sales after this and other megaprojects were recently unveiled.

"I don't think it has any effect at least not yet."



Of course a key attraction of real estate in Rayong is a lower price point for beachfront properties compared to other well-known Thai resort towns and islands with the current entry point to Grand Beach Condominium II being 1.76 million baht for a 37-square-meter unit.

Some but not all Thai buyers are actually investors hoping for rental income and MrMarjamaki estimated that they could optimistically get around 8 to 10% a year



by renting their units throughout the high season from October to April.

"Most of the people renting here are Europeans with the majority staying between two to four weeks and you can actually charge a much higher rent for a shorter stretch.

"It's very popular during the high season I mean almost everything available is rented out."

Although over the last one to two years people have mainly opted for small one-bedroom units a shift has been noticed recently with some of them starting to look for bigger two-bedroom ones.

"So we plan to diversify a little bit more in terms of units in our next project."

After prospering in Rayong Logans, whose shareholders are a mix of Thai and European nationals, intends to stay put in this province although it does plan to diversify and build a hotel with this likely to start either this year or early next year while also launching more condominium projects.

"We had plans for some projects on Koh Chang but we recently decided to cancel them and focus on this area where we are doing very well.

"Ours is not a big company, I mean we build a lot and we have a lot of customers but we are still a small company and we want to keep it that way."