

TIGERS COME TO THAILAND

Investors in Phuket haven't missed a heartbeat as the Indian Ocean nation bounces back after recent unrest...

By Zoe Dare Hall

THAILAND'S RECENT military coup may have succeeded in peacefully disposing of an unpopular Prime Minister, but with memories of 2004's tsunami still vivid in our minds and the political unrest seeing the Baht devalued to its lowest level since 2002, how has it left foreign investors in this distant, exotic land?

Sanguine, judging by Helene Fallon-Wood from Dublin. 'I don't think the coup will dent foreign buyers' confidence in Thailand at all,' says the 41-year-old Honorary Consul of Ireland in Phuket, who has lived in Thailand for 18 years.

'The coup was a necessary evil to try and bring some order back to the Government and 84pc of Thai people are in favour of the coup to get the country on its democratic feet again,' she adds. 'I think it will help clear up a lot of the unrest that was beginning to stir.'

Helene's 49-year-old husband, Peter, owner of the Tamarind Valley development in Rawai on the south of Phuket, Thailand's largest island and only an hour's flight south of Bangkok, says there are no signs here of Irish buyers being deterred from buying bungalows from 8million baht (€170,000).

'About 20pc of our clients are Irish and the number of those moving to Phuket or buying second homes here is increasing,' Helene says. 'It's easy to fly here from Dublin with Gulf Air and, as property is at a premium in Ireland, many people can afford to sell the family house, downsize and buy a second home here.'

'They can spend nine months a year here and the remainder in Ireland in the summer when the weather is at its best. Phuket is far cheaper than Dublin, which is now one of the most expensive cities in the world.'



Michael Hosking, pictured below with wife Rona and their three children, at the Laguna resort in Phuket, where homes such as this enormous three-bed villa, above, are for sale. Right, the beautiful island of Phi-Phi in Phuket

Michael Hosking, 47, founder of music promotion company Midas Promotions whose Irish pop-star clients include Westlife and Ronan Keating, has lived in Phuket for five years and is confident that foreign buyers will continue to invest in Thailand.

'Coups in Thailand aren't uncommon and although this one was unexpected, most expats who live here recognise that it's the way Thai politics works. In Phuket, we live in ignorant bliss and daily life hasn't missed a heartbeat.'

Michael, who lives with his wife, Rona, and their three children in Laguna, 'the Beverly Hills of Phuket,' is also developing Sai Taan Villas in Laguna, where four-bedroom houses start at €490,000. He has seen little impact on buyers. 'Apart from the odd person e-mailing me to ask my take on the situation, no one has flinched and certainly no one has pulled out.'

'We could have picked anywhere on the planet to live but we chose here because it is such an appealing place to live or own a holiday home. The combination of lifestyle and value for money, an excellent international school, great golf courses and property a fraction of the cost of Singapore or Hong Kong makes it the most appealing place to live in Asia. People who visit see all that and they haven't been deterred from buying here.'

As it did so quickly after the tsunami, Thailand is determined to promote this 'business as usual' image to tourists and property buyers.

Last month Bangkok's lavish new international airport was opened, with the

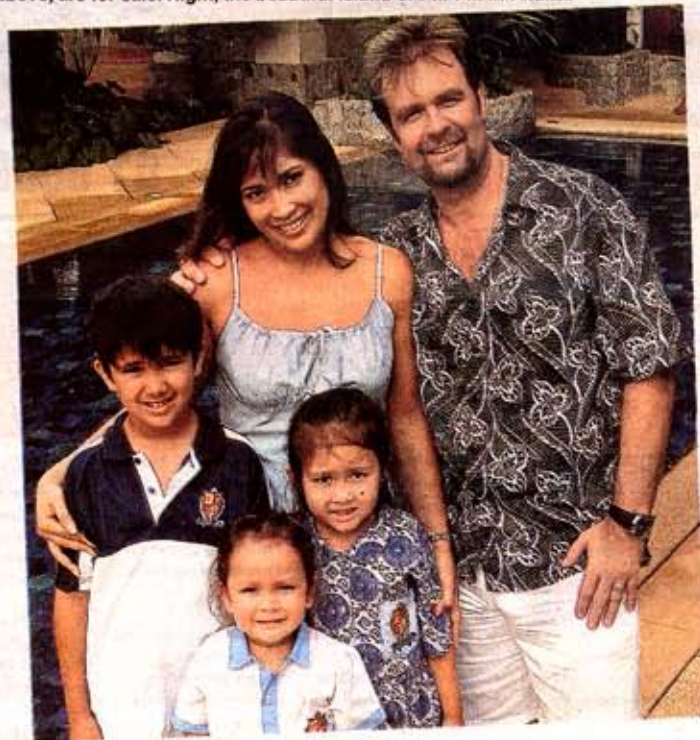
largest terminal and longest runway in the world. A Saudi Prince has signed a deal to build a €2.1m Raffles resort on Phuket. And although house-price growth is likely to be nearer 5pc than the 10pc predicted at the beginning of the year, building continues apace, with 63,000 units under construction in Thailand as a whole and 10,000 in Phuket.

For Helene and Peter, who built their four-bedroom house with a swimming pool for €105,000 (at today's exchange rate) eight years ago, the lifestyle reasons to buy a first or second home in Thailand are eternally compelling.

'We chose to live in Phuket mainly for the climate and for the outdoor life. We both love water sports - Peter is a diving instructor - and it's a great place to bring up our 11-year-old son, Brian,' says Helene. 'The cost of living is cheap and the quality of life outweighs that of anywhere else in the world.'

'Eight years ago, it was almost impossible to buy sliced bread or wine.'

'But things have moved on quickly here and Phuket is a thriving, fun place. It is rapidly going upmarket too. Land is too



expensive now for backpacker bungalows so five-star hotels are opening instead.'

Catering to the highest echelons of Phuket's foreign investors is Barama Bay. This private-island paradise is a three-minute boat ride off Phuket's east coast. Sizeable plots with views across Phang Nga Bay and islands start at approximately €45,000, available through Aylesford International, with build-costs of villas from a further €30,000.

The island will also have a six-star hotel run by the Jumeirah Group (of Dubai's Burj Al Arab fame). Phuket's only deep-water marina and a helipad to cater for its moneyed future residents who so far include a Hollywood film producer.

'Barama Bay is going to be the most upmarket development in Asia, appealing particularly to expats who already know this part of the world well and don't fancy retiring to Marbella,' says Anthony Franklin from the

island's developer, TGR Group.

People will buy here for the lifestyle, security and the kudos of buying on a private island - but with the convenience of being 20 minutes from the airport and just a few minutes from Phuket's facilities such as shops, restaurants, an international school and first class health care,' Mr Franklin adds.

THE TOP end of Phuket's market is moving faster than any other, with €90,000 villas being built on the Blue Canyon golf course where Nick Faldo plays - and where jets landing at the neighbouring airport barely skim the tree tops.

'The quality of life in Phuket is better than anywhere else in Asia and it's particularly appealing to families,' says Mr Franklin. 'The people are friendly, the climate is good all year round, the food is fantastic and you can

live very well here for little money.'

For buyers tentative about buying beachside properties since the tsunami, Aka Resorts Group is introducing a touch of luxury to a rural area - a 10-minute drive inland from the historic seaside town and Thai King's residence of Hua Hin, and three-hours' drive from Bangkok airport.

The 54 villas with pools at Aka Resort Hua Hin sold out within six months last year. Now they have launched nearby Gutti Kiri, a five-star resort designed by the team behind Chiva Som, Hua Hin's famous spa retreat.

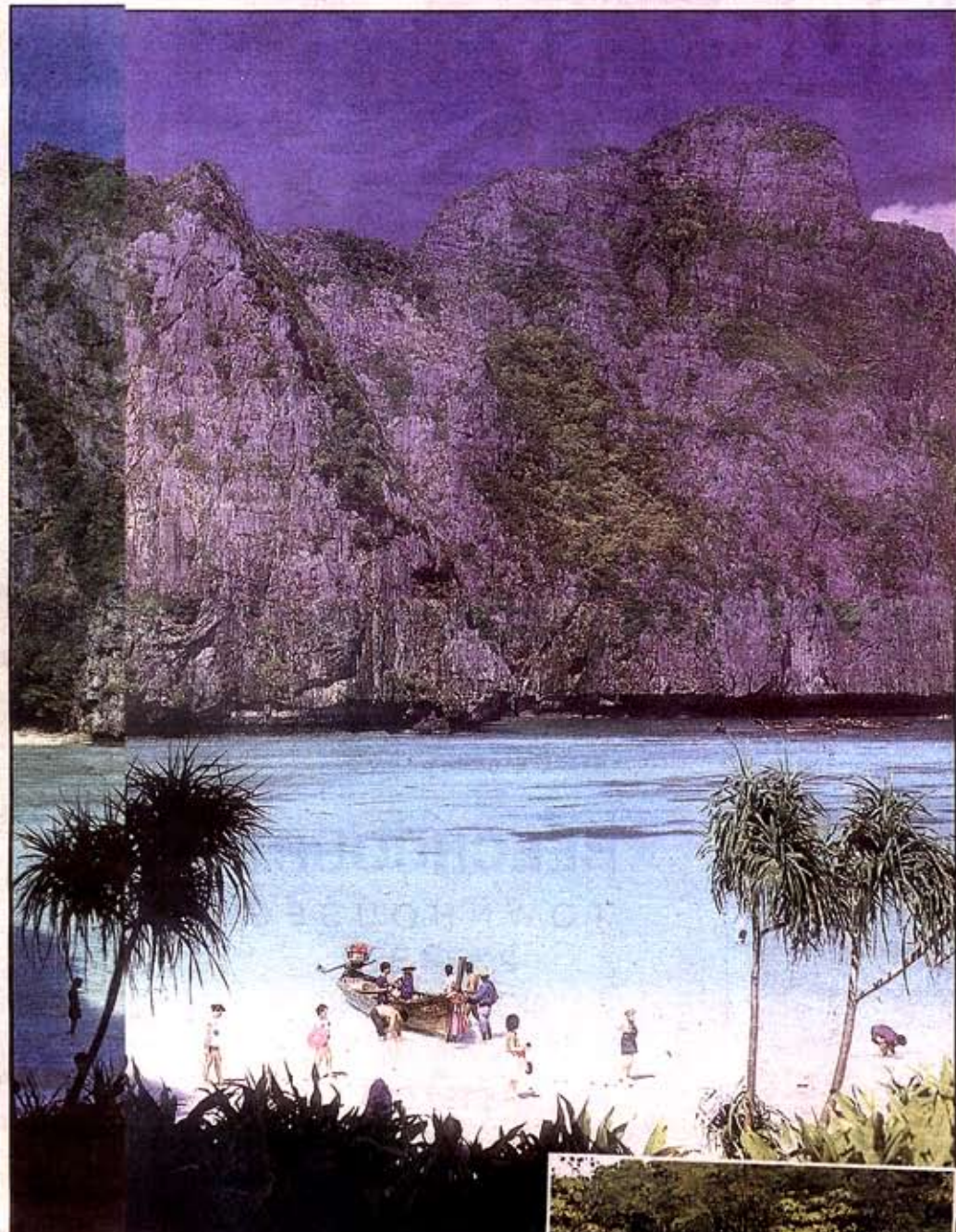
Gutti Kiri's 95 duplexes from €235,000 (€185,000) and detached pool-villas from €325,000 (€260,000) sold through Colliers CRE - are set on a hill-top with vast views towards the Burmese mountains.

'Hua Hin wasn't affected at all by the tsunami and there is a lot of new development taking place on the beachside, but we are seeing a growing demand

from foreign buyers for inland properties,' says director of Aka Resort Group James Ngai. A 100sq.m beachside apartment Hua Hin will cost about €200,000, at for the same price at Gutti Kiri you can get a private villa with a pool. Where Chiva Som is about being a retreat offering total seclusion, Gutti Kiri involves the local community so that they benefit from visitors by selling souvenirs or running small restaurants.

Owners of the freehold villas at Gutti Kiri can join a rental programme with a projected 8-12pc net turn and know their villa is being well maintained by Aka Resort when they are not there.

Most of our buyers so far have been European, in their 30s-plus, and they see Hua Hin as offering better value for money than other Asian tourist destinations such as Samui or Phuket,' explains Mr Ngai. 'The tsunami has benefited destinations like Hua Hin. People still want to come to Thailand, but they want to find new places - and they want luxury.'



An artist's drawing, right, of one of the 95 duplexes and pool-villas for sale at the five-star Gutti Kiri resort, starting at €185,000. Freehold villa owners can join a rental programme with 8-12pc return



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Tamarind Valley, www.tamarindvalley.com, (0066) 7628 1084.
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