

Suvirakorn Kijkaew 2010: Feasibility Study of Home Stay Investment Project in Bang Khun Thian District. Master of Economics (Business Economics), Major Field: Business Economics, Department of Economics. Thesis Advisor: Associate Professor Darawan Virunhaphol, Ph.D. 115 pages.

The Objective of this study aims to analyze the financial investment feasibility of the Tha Kham homestay project, Bangkhunthian, Bangkok, and to investigate the need of the homestay from tourists. The primary and secondary data were used to evaluate the project performance and to be used to further support the decision-making of the future investors.

The financial analysis of the project was evaluated by the market price. An analysis was performed in two different cases; 1) exclusive residence project and 2) residence project with activities. The information was derived from the respondents who were interested in homestay tourism through the questionnaires. The indicators for investment worth included the Net Present Value (NPV), Internal Rate of Return (IRR), Benefit-Cost ratio (BCR), and payback period. The analysis of sensitivity was also performed for the project by imposing the operating expenses increased by 15% and revenues generated from the tourists reduced by 10%. The length of the project was 15 year. The discount rate was 8%. The results indicated that the NPV was 2,751,640 Baht, IRR was 17.86 %, BCR was 1.17, and discounted payback period is 8.09 years for the former case while NPV was 3,599,999 Baht, IRR was 24.92 %, BCR was 1.19, and discounted payback period is 6.92 years for the latter case. The analysis of sensitivity of two case showed that if operating expenses increased by 15%, both cases were worth investing. However revenues generated from the tourists reduced by 10%, only the residences project with activities was worth investing

According to comparisons between the exclusive residence project and residence project with activities, it found that residence project with activities was more worth investing than the exclusive residence project.

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Thesis Advisor's signature