

Chapter 1 : How to Buy Land in Thailand

You can build a house on this land and live in it, but you'll never own the land the house is built on and, when the lease is up, you could be evicted. So unless you buy land through your Thai company, when your partner says, "Let's buy this piece of land", it really means "Let's buy this piece of land for me".

Buying Land Thailand Property If you are considering buying land in Thailand, consult us about the complex process of buying land in Thailand. Most expatriates place the land in the name of their Thai girlfriend or spouse without any legal protection in the event of a divorce or dispute happens. Always ensure that your rights are protected in Thailand and that you do not lose your investment. Buying land in Thailand Thailand Real Estate has taken off in the past decade or so with more and more foreigners wishing to live in Thailand and making Thailand their second home. Many wish to own land here but before taking this step it is important to inquire or engage the services of registered lawyers in Thailand and, secondly, reputable estate agents when buying land. Preparations for Diligent Buyers Be aware that many of the problems that do arise from buying land in Thailand can be avoided early on in the property search. Thailand does not use Western measurements for land. Setting up Your Thai Company Once you have decided which land you are going to purchase, always consult a lawyer before signing any documents. Foreigners may not own land in their name; however their Thai registered company may own the land. There are different forms of business entities in Thailand; The most commonly used is a Thai Limited Company. There are certain business registration criteria which must be met when incorporating a limited company. The Thailand Amity Treaty is also permits Americans to do business in Thailand, however this type of structure cannot own land. There are also tax considerations so check the Corporate Tax in Thailand if you are going to do more than own a house or need a Thai Work Permit. Leasehold Agreements Buying Thai real estate under a leasehold interest is a very popular and preferred way for foreigners to acquire property in Thailand. Why is it the favored alternative? It is simple and straightforward. Foreigners can obtain full interest on a lease in Thailand throughout the specified lease term. This is preferred over purchasing through a limited company where you have several shareholders who may have interests that are different from yours. You can transfer the leasehold interest or even sell it the same as you would for any other freehold title conveyance in Thailand. The maximum lease term is 30 years. An option to renew will not be automatic and an additional 30 year periods will depend on careful drafting and discretion of the Registrar at the Land Office. Marrying a Thai A foreigner can buy land in Thailand if he is married to a Thai however there are limitations as follows: As the non-Thai spouse, you need to state that you have no rights over the land; effectively waiving your rights to claim the property. The property, though purchased by you, cannot be in your name but will have to be in the Thai spouse. The married couple may be asked to sign declarations at the Land Department stating that the funds used are the separate property of the Thai spouse. Problems may still arise during a divorce case. Proving that the land is marital property will be difficult. There are basic guidelines that the law provides in the management of matrimonial assets and in this case, a skilfully drafted prenuptial agreement may help to minimize your risks as the non-Thai spouse. Do Property Services For purchasers, we would do a title search and review the contracts before you sign it. For sellers, we can draft your contract and negotiate with the purchaser. For our services, check the Property Services Section of our site. Title Deeds in Thailand - Learn the type of title deeds in Thailand Thailand property taxes - To inform yourself of any government fees or taxes involved in dealing with real estate. Calculate your cost for transfers - Learn how to calculate the taxes and costs that may be involved when you transfer property interests or have your lawyer calculate for you.

Chapter 2 : Buying a House in Thailand - thailawonline

BUILDING LEGAL OWNERSHIP OF A HOLIDAY HOME IN THAILAND. House construction laws in Thailand. Construction in Thailand is mainly regulated by the Building Control Act and the Town and City Planning Act.

Owning Property in Thailand This article mainly covers ownership of property by a foreign individual by himself or by a company he sets up. It does not cover ownership of properties by very large companies. The property ownership laws of Thailand are somewhat nationalistic, whereby foreign individuals can legitimately secure property only in certain ways. The main issue is real estate, but similar laws cover other items. If you are not legally established in Thailand and following procedures, then you will take risks. Foreigners can own a condo freehold, as long as foreigners own less than half of the building space. Whenever a condo sells a unit to a foreigner, a document is required from the building stating that after the sale, less than half of the building will still be foreigner owned. There have been some exceptions over the years, but the laws are back to this state. Foreigners cannot own land, except in some very exceptional cases for very long and well established foreigners. A foreigner can own a house but not the land under the house. Foreigners can buy some things outright. Other things must be leased or bought properly. The most common methods of properly securing land are: This is called the 2x30 "two times 30" way. There are other ways that people have gotten property, but these are often questionable, unnecessary in view of proper ways, and sometimes cause problems later. Businesspeople and lawyers often assert their own tactics in a very self-confident manner, but second opinions should be sought before you commit a large sum of your savings. It has amazed me at how many people have not sought independent and professional second and third opinions. Some of these have had serious problems later. Respected authorities such as the Asia Wall Street Journal can usually, but not always, be relied upon, as journalists are sometimes incorrect and improperly influenced as witnessed by letters to the editor which are actually published. The more respected sources you research, the better. The first thing you must do here is get to know your rights in Thailand and the proper laws and conventions here. Nonetheless, over time, I have found out what the most informed and careful professionals do, case after case, independent from each other, and based on laws cited from the multiple respected authorities, to secure property properly. In this article, I cover only the ways that my research has found proper, and not the questionable ways. I must emphasize that there are many improper ways which have worked for other people in Thailand, and continue to work, but which I would advise you not to follow. Many ways appear to exist simply only as long as they are not being prosecuted. There are guys who have lost property to wives and associates, fallen victim to outright scams, and experienced extortion for rectifying vulnerable arrangements. In every case, it was clearly avoidable from the start, if they had only researched independent additional opinions and followed standard procedures. The proper ways are simple and straightforward. You should avoid both convoluted ways and shady shortcuts. Kevin wanted a car. Rather than rent or lease a car, Kevin decided to buy one he wanted. Two years later, I crossed paths with Kevin again and all was still fine, as I expected. Kevin risks problems if someone raises the issue, now or anytime later, but who would prosecute such a case, and why? The chances are that nobody will raise the issue, and Kevin will be fine. However, when it comes down to securing a piece of land and a house, the chances of having problems later are significantly higher than for buying a vehicle. This was an effort to bring in foreign investment, particularly to the nonperforming real estate investments which were causing the liquidity crisis. These new regulations would have also helped many powerful Thai individuals who own real estate but were burdened with debts due to not being able to sell it to other Thais after expensively developing it. They were politically unpopular. The main details are discussed a few paragraphs below. The Thai economy picked up and recovered, and it mostly came to naught. The present situation is likely to continue as a natural state of political affairs as long as foreigners are much richer and have far more buying power than Thais. The argument is that if the property market were opened wide to foreigners, then the prices would skyrocket out of the reach of the vast majority of indigenous Thais, and foreigners would take over too much of Thailand whereby the Thais would lose significant sovereignty and cultural integrity, instead being exploited in colonialist fashion. Foreigners in the press commonly argue that Thais are free to buy property in

the U. The same argument could be made regarding travel visas, whereby any poor Thai prostitute could skip going down to the US Embassy for a visa rejection and instead just take a plane flight to the U. The reality is that the U. So major relaxation of laws regarding foreign ownership of property will probably occur around the time that Thais are given "fair treatment" as regards travel visas. In my writings, I must first start with a disclaimer: Use at your own risk. These are general problems that people run into when dealing in any country whose language they cannot read. At least the Thai language is phonetic, not hieroglyphic. The problem in Thailand is dealing with the nationalistic laws. The Thai wife of a foreigner can own property a recently changed legal status due to gender equality in the new constitution revision , in her name only. The same, of course, goes for a Thai husband, but the law was changed recently for Thai wives due to the new constitution guaranteeing equal rights. If you live longer than 2x30 years, consider yourself lucky in another regard. This is referred to as the 2x30 "two times 30" option. The 2x30 option has been mentioned in "this is how I did it" circles, but you are advised to check with a lawyer, and ask about what proposed laws were actually passed in Parliament over the past few years. Before the foreigner could do this, the foreigner must deposit 10 million baht of hard currency from overseas into a bank in Thailand. Then he asked her again, in which case she changed her mind and said it was her money, and everyone then smiled and the transaction was allowed to go forward to completion. You can read the text yourself and interpret it yourself, all of it, back to the Constitution. Otherwise, you can believe the lawyers, the market, and how quiet it is as regards property invalidations. It is a commonly advised tactic to set up a company for the sole purpose of buying property, e. You should be aware, however, that bogus companies for the sole purpose of property ownership and nominee directors are not legal. They exist insofar as they are not being prosecuted. People will point out that they are rarely prosecuted, but prosecution is possible. The way this is often pitched is as follows: Get all the forms for shareholders in your company. Go onto the street and find some strangers. Pay them some tens of dollars to sign a shareholder document, sign another document selling their shares leaving the date blank , and go photocopy their ID card. These are your six Thai shareholders. Even if you get a big problem and someone traces down these shareholders based on their ID card, you already have their signed document selling their shares so that you can immediately backdate and transfer these shares to a trusted person. A hybrid option is that the latter company owns the property and issues a 2x30 lease to you. The same applies to the Thai wife -- she owns the property but leases it to you. Of course, you should be careful to have in your personal will that your shares will go to somebody else, so that there is not incentive by your shareholders to see you pass away. There are a lot of evil people in this world, and Thailand is not any exception. Too many foreigners have skipped town and left others to sort out the mess. Some banks have started offering mortgages to some foreigners based on certain criteria and up to a certain percent, but this changes from time to time and what I write today may change tomorrow. Leasing Land A foreigner can lease land for 30 years, according to the laws of Thailand. Your spouse inherits it after the 30 years. All leases longer than 3 years must be registered. The good news is that it helps verify the legitimacy of your lease. The bad news is that you pay more in taxes. If you are leasing land, then you must pay taxes on the lease amount. One source states that, for example, if you lease land for 30 years and pay for the entire period in advance in order to get a receipt, then you must also pay 1. Taxes have varied widely from time to time in the past 10 years, as the government has tried to sometimes stimulate and sometimes cool off the property sector, or just be populist for voters. Scams and Complications Some real estate agents run advertisements saying that you, the farang, can now own "property" in Thailand, and that "the laws have changed". This is often just a ploy to get you thru their door first, before you get hooked by any competing real estate agent, as if they are more on the ball and know something their competitors do not. There are scams out there. If you are considering buying a condominium, rather than renting, then you should be careful about great deals on high rise condos that are sparsely populated. There are many stories of condos which have not been kept up because the building owner and management company are out of money or have decided not to put any more money into the property at the moment. Stories include things like lifts elevators not being repaired, amenities like swimming pools being neglected, security disappearing, overgrown lawns, etc. Because labor is cheap here, this should not be as big a problem as in wealthy countries. Likewise, if you are buying land with a house on it, there should be

paperwork and deeds on both the land and the house. Sometimes, there is only for the land, not the house. Why is a mystery, but may have to do with taxes. Make sure you get the full scoop on taxes before you buy. Taxes You have to pay taxes on real estate purchases. You should make sure that you know in advance what the total taxes will be, both at the time of the transaction, and what you will receive in the mail from the government later. If your company is buying a house, instead of your wife buying it, then the taxes may be higher because corporate taxes are higher than personal taxes in Thailand. Check with your accountant.

Chapter 3 : Property Prices Thailand, Home Price Rises

Scuba Building & Construction, Finances, Living in Thailand Comments Off on Cost of building a House in Thailand Since it is possible for a foreigner to legally rent a piece of land for at least 30 years in Thailand, it is also possible to build your own house on that land.

Global Property Guide How difficult is the property purchase process in Thailand? Foreigners cannot buy land in Thailand, only condominium units and apartments. However, a foreigner can buy a whole building, minus the land on which it is built. In recent years, minor changes in Thai law have allowed nonresidents to explore the Thai real estate market. A foreigner can have a year renewable lease, under which the buyer registers at the Land Office an option to renew the lease contract indefinitely, for further year periods. There are serious drawbacks, however. Lease renewals cannot be registered, and are not effective against a purchaser of the property. Companies are allowed to own land. This is an effective and time-tested route, most commonly taken by foreigners. The help of a lawyer is very important. They will then be allowed to purchase up to 1 Rai 1, square meters of land. You must reserve a company name at the Register of Partnerships and Companies, Business Development Department, Ministry of Commerce; by submitting three prospective names. The company name must not be the same as that of any other registered company. The reservation is valid for 30 days with options for renewal. No fee is charged for this and you should expect to receive confirmation within two working days. File a Memorandum of Association. Convene a Statutory Meeting. The list of subscribers, their addresses and number of shares must be presented at the Statutory Meeting. A Statutory Report or Notice of Invitation must be sent to each subscriber prior to the assembly for their information. Among other things, the agenda shall include: Appointment of auditors and agreeing on their remuneration Payment for shares. The directors should ensure payment of shares by subscribers, depending on the amount agreed upon during the Statutory Meeting. The company must be registered within three months after the Statutory Meeting by filing an application signed by the authorized directors. The application should be accompanied by the Statutory Meeting and approved Articles of Association. The certification document will be issued a day after the necessary payments have been settled. A tax identification card and number must be obtained for the company from the Revenue Department. Note that local banks do not provide loans to foreigners. It is also essential that all money be remitted from abroad in a foreign currency before conversion to Baht, clearly labeled: Title Deeds Titles are problematic in Thailand. It is important to distinguish between the different types and familiarize yourself with them before engaging in purchase transactions. The best landed property titles are "Chanott ti din", i. The most developed areas of provinces have such titles. Most "titles" in the country are "Nor Sor Sam" or "Nor Sor Sam Kor", which are land title deeds in as much as clear records of ownership are maintained, and may be sold or leased, but tend to be less accurately surveyed than Chanott titles. If purchasing Nor Sor Sam-titled land lacking clearly defined physical boundaries, it is wise to ask the owner to stake out the boundaries, and then ask neighboring landowners to confirm his work. They cannot legally be sold, nor can the purchaser build on the land. Finally, Sor Bor Kor are true title deeds, accurately surveyed and pegged like a Chanott, which can be mortgaged and developed. But they cannot be leased, sold or transferred. So Sor Bor Kor must be ignored. Aside from landed titles, there are condominium titles. Established under the condominium act of , this is a title to a part of a building or buildings with multiple owners, and a fractional interest in the land always a Chanott and other common assets such as a swimming pool and common parts of the building such as the stair well or lobby. The title will state the floor area of the private apartment, the ground area of the common land and the percentage interest which that apartment has in the common property. Buying Process It is very important to hire a real estate attorney when purchasing property. The realty industry in the country is still unregulated, so a lawyer will be able to provide more security than a mere real estate agent. There are, essentially, two important documents that are needed: But if the option of buying through a company is preferred, the following are required documents: Once the seller accepts the offer, his lawyer will prepare a purchase agreement. This should include, among other things, which party pays the legal fees, transfer fees, and taxes. Deposits in escrow are still rare. Furthermore, deposits are non-refundable unless it is

the seller who backs out. In that case, he will need to pay you double the amount for damages. Closing usually takes 30 to 60 days. This includes the exchange of contracts and settlement of the remaining balance. When these have been accomplished, the title deeds will be submitted to the Land Department for registration and payment of government duties. Exchange rate is at THB Legal fees are negotiable. It is typically paid by the seller. Stamp duty is 0. The Special or Specific Business Tax is levied at around 3. It is imposed on sale of immovable properties in lieu of VAT. Thailand - More data and information.

Chapter 4 : How to Buy Land and Build a House in Thailand PDF

Scuba Building & Construction, Living in Thailand Comments Off on Building a House in Thailand Here I'd like to show you in a series of pictures, how a house is build in Thailand. Houses in Thailand are build in what we call the "skeleton system".

The Building Control Act provides for governmental control of virtually all types of construction by means of various applications and punishment in case of violation, the Town and City Planning Act deals with the permissible uses of land in different zones. In addition there are under both Acts Ministerial Regulations specifying regulations and zone restrictions. Building and construction can also be restricted by environmental and other laws Nature Reserve Act, Forest Act, etc. These restrictions relate to the maximum size, distance to the land border, design and the height of the building sample. Building or buying a home in Thailand Foreign land ownership restrictions in Thailand relates to land only, not to the building on the land or condominium registered under the Condominium Act. The land and any structure on the land can be owned independently by different persons. Foreigners buying a home in Thailand can lease land and optional obtain a right of superficies and own the house as a personal property. In any land leasehold structure it is recommended to obtain ownership over the house, but ownership over the land remains the higher absolute right and the right to own the house on the land is relative to the right to use the land. How to own a house distinct from the land it is on Buildings apart from condo apartments do not have a separate ownership title deed document. The procedure to obtain ownership of a structure separate from the land is as follows: If buying from a developer depending on the sale and tax structure and liabilities the developer chooses the sale of a house separate from the land lease is either by: In case an individual person is developing a plot of leased land the building permit should be issued, or during the construction changed by the Or Bor Tor, in the name of the person that leases the land. Sale of a completed or existing building separate from the land requires the current owner and purchaser of the house to: Local property developers in Samui tend to offer a sale and purchase agreement for the house but skip the official transfer procedure ownership has not transferred , or lease land and house not recommended. The transfer of ownership of a building will take at least 30 days from the first visit to the land office to the issuance of the sale of a structure document sample right or view sale document with short translation. The building permit is the evidence that shows he owns the building and obtained approval to build the house. The building permit must be submitted to the Land Registry for the transfer of the house. It should be checked if the house is actually built according to the building permit. The building Control Act imposes heavy fines and even imprisonment on violators. If any violation is found the authority has the power to issue a stop-work order and demand rectification of the building or an incorrect part within a reasonable time. If the building or an incorrect part cannot be rectified, the authority has the power to order a demolition thereof. The building permit is proof that you own the building and the building does not belong to the land owner but to the land leaseholder. Similar to Phuket where the Ministry of Natural Resource and Environment issued a notification to protect the environment in Phuket prohibiting any building and renovation in the area 80 meters and more above the average sea level. Construction is not allowed even though the land could have a full land title deed. General considerations when planning to build or buy a house in Thailand also for leasehold land for foreigners what is the land title this should at least be a Nor. Samui building zones under the Building Control Act: No building is allowed up to 10 meters from the beach. The coastline or beach line is a moving line and often at the discretion of the Or Bor Tor who can choose more or less where it starts. Building of a single story house not exceeding a height of 6 meters with a total building area of up to 75 sq. Building of a building with a height of 12 meters and a ground floor or total building area of not more than sq. Any building of up to 12 meters can be built within an area of more than meters from the beach. The above zoning areas are issued under the Building Control Act specifying what you can build. Different zones under the City Planning Act can be found in the city planning act map controlling land and property use in specific areas. Section 4 Land Allocation Act: Section 21 Land Allocation Act: Articles news - An initial probe into a land scandal in Phuket found ownership documents and title deeds for four plots in Kathu district had been

unlawfully issued by corrupt officials [read more](#) Due to uncontrolled development and corruption in the past Samui has many illegally issued land ownership titles in these areas that may be corrected or revoked and returned to the state. More complaints of land encroachment in different areas [read more](#). As a result land titles are dodgy and the status of the land NOT protected by land allocation laws or general development regulations. Foreigners have been warned they risk losing all and may face legal problems later [read more](#) Sales Pattaya, Phuket and Koh Samui drop. Samui market in dire straits [read more](#)

Chapter 5 : How to Buy Land and Build a House in Thailand - Paiboon Publishing

Subjects covered: land ownership options, land titles, taxes, permits, lawyers, architects and builders. Also includes English/Thai building words and phrases and common Thai building techniques. Learn how to build your dream house in Thailand that is well made, structurally sound and nicely finished.

Land ownership in Thailand is governed by the Land Code Act. Foreign land ownership restrictions in Thailand land laws refer to the land only, not the building on the land or condominium registered under the Condominium Act. The land and the structure on the land could be owned independently by separate persons. Foreigners buying a home in Thailand can do this through a 30 year land lease agreement and optional right of superficies with the house owned as a separate personal property. How to own a house distinct from the land it is on In a standard situation a real estate sale in Thailand involves land and house. The owner of the land is the owner of the things fixed to it or forming a body with the land section Civil and Commercial Code. There are exceptions, and for example in case of a foreigner buying real estate in Thailand ownership of a house can be registered and transferred separate from the land it stands on. Buildings apart from condos in a licensed condominium building do not have a separate ownership deed in addition to the land title deed. If buying from a developer depending on the sale and tax structure and liabilities the developer chooses the sale of a house separate from the land lease is either by: In case an individual person is developing a plot of leased land the building permit should be issued by the Or Bor or in the name of the person that leases the land the building permit can be used as proof of ownership of the house. Sale and transfer of ownership of an existing building separate from the land requires the current owner and purchaser of the house to: The land office is the only government authority in Thailand for the administration and completion of a transfer of ownership of a building. The transfer will take at least 30 days announcement of the sale period from the first visit to the land office to the issuance of the sale of a structure document. The 30 day announcement period is to see if anyone wishes to contest the ownership over the house. The sale of land and house and the transfer of land with a full title deed and building on the land together is completed on the same day - read more building yourself Right of superficies, as a separate registered right in addition to a land lease agreement, is not common in Thailand. Superficies is used when the owner of the land is not the same as the owner of the house erected on the land. A right of superficies is registered on the land title deed - read more Baan - read more external should not be confused with a house ownership document. A house book is only a house address and resident registration document issued and administrated by the local government district amphur. This is not an important document for foreigners and unless the foreigner has residency in Thailand he is not registered in a blue house book, even though he is under Thai law regarded as the legal owner of the house. A special yellow house book for foreigners can be obtained and depending on the location the requirements for issuing a yellow book could include a work permit or Thai marriage certificate, non-immigrant visa and ownership document condo title deed or the land office sale of a structure document. The document that could be described as the house ownership document separate from the land is the building permit issued by the local Or. Tor or the Land Office sale of a structure document issued by the Land Department. Building permission for a house in Thailand The seller of the house must also have approval for the building construction permit. The government issued building license is the evidence that shows the seller owns the building and obtained approval to build on the land it does not say that the building is built according to the building permit! Unregistered houses or houses liable for demolition conflict with the Building Control Act or zoning regulations have been sold to foreigners in Thailand - read more Ownership transfer of a house:

Chapter 6 : Thailand Property Ownership Laws of Houses, Land, and Condominiums

Buying land in Thailand Thailand Real Estate has taken off in the past decade or so with more and more foreigners wishing to live in Thailand and making Thailand their second home. Many wish to own land here but before taking this step it is important to inquire or engage the services of registered lawyers in Thailand and, secondly, reputable.

About You are here: So grab a coffee for this one. However, a Thai registered company can own the land, and a foreigner can open a company if they meet the requirements. So all those Thai Visa members are wrong? Well, yes and no. Check out the legal restrictions to this: As the non-Thai spouse, you need to state that you have no rights over the land; effectively waiving your rights to claim the property. The property, though purchased by you, cannot be in your name but will have to be in the Thai spouse. The married couple may be asked to sign declarations at the Land Department stating that the funds used are the separate property of the Thai spouse. Problems may still arise during a divorce case. Proving that the land is marital property will be difficult. So you can own it, but you have no rights to it when married or in the case of a divorce. One option you have is to leasing. Land can be leased to you on a year rolling basis. So, for example, your wife could buy a piece of land and lease it to you for years. In short, anything other than a Chanote should be avoided. The land is measured by the Land Department; therefore, it has its exact boundaries. This type of land may be sold, transferred, or mortgaged in the same manner as land with freehold title deed Chanote as long as it is ready to be a full title deed. In order to change the title to a Chanote, the owner of the land may file a petition to the Land Department to file a request to change it to a full title deed Chanote , and the Land Department may do so if there is no opposition made against the petition. The Nor Sor 3 title may later be switched to a Nor Sor 3 Gor then subsequently transform to that title to a freehold title deed Chanote in the future. A land with a possessory right has never been substantiated by Department, but is only recognized by tax payments at the Local Administrative Office. How long is a piece of string? But land in Thailand sells for whatever someone is prepared to pay for it. Generally, people start out asking way over the odds. Most are in debt up to their eyeballs. Even the teachers and government workers who are able to borrow money from the bank to build a big home and buy a nice car would have to negotiate a further loan to buy more land. The price will usually drop by the time the news has reached all the locals and little interest has been generated. And the more desperate a person is to sell, the quicker the price will drop. The land sharks know this. By land sharks, I mean the few rich, local families who wait for poor folk to gamble and drink away their nest egg and get so desperate that they have to sell the one piece of land supporting their existence. Scared by the rumours that much of Bangkok will be under water in years, they are sharking for land near the big cities of Isaan; the likes of Korat, Khon Kaen and Udon Thani. Make your enquiry, state what you are prepared to pay and walk away. You can always leave your phone number in case they want to sell at the price you want to pay. That whole grassy area is like a swap. To fill that in with soil is going to cost a small fortune. Make sure you calculate soil filling if required into your finances. In this instance, ignore what I just wrote. What you pay and how quickly depends on the type of land. Some land needs to be bought quickly for the asking price. It sold on the day for the asking price. It was a race to see who could get to the bank first and secure the deal. Perfect land to build a house, already filled in with soil and fenced off, in a well developed road with access to electricity and water, off the main road and opposite a Tesco. The owner needed the cash badly to pay a debt. Trying to knock an opportunity like that down to k, or even k, is a waste of time. The competition for the buy is high and the opportunity is an absolute steal. For instance, beachfront land in Koh Samui is going to be worth a hell of a lot more than farmland in an Isaan village 50km from the nearest Big C. One key variable you need to understand is the difference between house-building land and rice-farming land. Farmland tends not to have proper road access, a piped water supply or electricity. House-building land should have all these things. Farmland can also be prone to flooding. House-building land should not! Farmland there might go for k per rai. In a moo baan, near a main road, close to the town centre and shops, etc. House-building land in the said village might go for between k per rai. Of course, this all depends on the area of the country, the province and its proximity to an airport and transport links. Part of a 1-rai piece of land my wife owns. Seems a shame to fill it in, as it

has created an ecosystem accessed by many animals. This is because it devalues their purchase and potential resale price. This is why the price of land in Thailand is always grossly distorted by gossip – people spread rumours about how much they have paid, which artificially inflates the local economy and often causes people to pay over the odds. But rumour matters not when it comes to the land transfer fee. Oh yes, you need to consider this extra little sting in your pocket when buying land. The land office has a land price index to work from. This index lists the true price of land for each area, and regardless of the amount you declare, you will still pay the required fee on the indexed price. So in theory, to find out how much a piece of land is really worth before putting in an offer, one could just go to the local government office and ask! Strangely, no one ever does this. Of course, some officers might be reluctant to give the information to a foreigner, but if your partner goes to the office, or gives them a ring, to ask what the average piece of land is going for in a certain area, they can give an answer. At the very least this gives you an idea of whether the land you are interested in is overpriced, and also a ballpark figure of what you should be paying. As I said at the beginning of this post, land goes for whatever a buyer is prepared to pay. You can also find out what a recently purchased piece of land is worth by asking the buyer how much tax they paid, though this is a fairly personal question and perhaps overstepping the mark. One thing is for sure, you your partner will know what your land is worth when the land officer tells you how much transfer tax you have to pay. At this point you might need a sick bag. This is the percentage fee of the appraised value of the property being transferred. The Transfer duty on the property is either shared between the buyer and the seller which is common or it is paid by the buyer. The business tax payable over the property is 3. In Western terms it is either the sale price or the municipal value of the property which ever is the higher of the two. Speak to your attorney in Bangkok about who will pay the business tax on the transaction. The seller in the transaction normally pays for the Stamp Duty in Thailand. It is one or the other which gets paid. This tax will vary according to who the seller is being either a person or a company. That is an official measuring post as laid out by the land office. There should be 4 of these marking each corner of the land area. Make sure you can find them. Has the land got a Chanote land deed. People lose land deeds in card games every day in Thailand. This is a sure way to lose your money and attract the wrong company. How long has the land been for sale? More than a month? How desperate is the owner to sell? In debt to a loan shark? Cash is king here. You will land a good deal. Is the land near a main road? Is there access to electricity? Is there access to water? Is it in a road with other houses or off-the-beaten-track? Is it rice-farming land adjacent to other land of the same? If so, consider that even if you convert this to build a house on, other farmers might not be too chuffed about it and may oppose your decision and cause you problems. Discuss with the poo-yai-baan first. Is the land filled in with soil?

Chapter 7 : Cost of building a House in Thailand - Living in Thailand

Updated 6 July I have just published a page eBook that follows the challenges, frustrations and successes of building a house in Thailand from the very start of us buying the land through to moving in and beyond.

Well here you will find the basic breakdown of what needs to be done and how to buy property or any real estate in Thailand. Select a Property Agent Since you will be looking for property in a foreign country you need expert local assistance. The agent will save you valuable time in selecting and showing you the property in your price range that meets your needs. A quality property for sale in Thailand is generally offered at a fixed price by the Seller. The best benefit of using a property agent is that they will act as a liaison between you and the Seller. They will obtain a fair price for you and act on your behalf to represent your best interests throughout the entire process. Legal Planning Remember that you are spending part of your life savings to acquire this property and you must carefully plan your steps in the process. You need to know the correct legal process in Thailand for the foreigner to acquire property. Before you sign any deposit agreement or contract, you should sit down with a lawyer or solicitor to discuss the legal process. Read more about " Leases in Thailand ". The foreigner should apply for the construction permit to build the house in their own name. This way the foreigner owns the house and has a secured long term lease on the land. The lease can be written with the option to reassign to another person if you sell , ability to sublease and with a purchase option should the law change in the future to allow freehold ownership by the foreigner. Therefore, a lease is the most common legal method for the foreigner to acquire property in Thailand. Title Investigation A comprehensive examination of title deed recorded at the Land Department should be done. You need to verify that the Seller has clear and legal title of the land before you enter into a contractual agreement. The title search will trace the land to its first possession. It will reveal any registered interests on the land such as mortgage or liens. This investigation will also verify the right to access to your property; the residential zoning, environmental and planning codes applicable in the area It is a good idea to make sure that you can build a structure on the land. Deposit When you feel satisfied with the property, you will be asked to make a deposit to show your good faith to continue the process. In return, the Seller will reserve the property for you and start the process by drafting the contracts for purchase. Unless you write specifically a "get-out" clause in the deposit agreement, for example "subject to clear title" or "subject to agreement on the contract terms," the money deposited is non-refundable. Review of Contracts The Seller will have the contracts prepared for you. Since the Seller will write the contracts, it is highly recommended that you have a lawyer or solicitor review the terms and conditions. You will want protection for your interests should there be a delay in the property being built. A proper remedy should be stated in the contract. The contract will contain a clause for penalty if you are late with your payment. This should be fair and reasonable to both parties should the Seller default. Your payment schedule and its ration should be reasonable and practical. Normally, a first payment is 25 percent. Thereafter payments are made on a progressive basis:

Chapter 8 : Buying a house in thailand

This book contains essential information for anyone contemplating buying or leasing land and building a house in Thailand. It is meticulously researched and draws on expert legal and construction information from Thailand, America, Europe and Australia.

Email Buying a house in Thailand Thailand is one the most beautiful places you can opt for after your retirement from your professional career, if you desire living a relaxed life. Properties are available in Thailand but before obtaining one for yourself, you must be conscious regarding several rules and guidelines of the land. Foreigners are forbidden to own Land in Thailand but there are ways to protect your asset should you wish to live here. In Thailand, you will find a lot of ventures; especially real estate is something what everyone wants to go for. However, to own an asset for yourself in Thailand certain rules are put in front of you, and you have to abide by them. Some useful tips to help you buy a house in Thailand If you are a foreigner then you will have certain laws in front of you with regard to ownership of the house. The land will be considered "immovable property" but the buildings can be separated from the land and fully owned by foreigners. However, the ownership of the building is something else. That means that a Thai person can own the land and another person, like a foreigner, can get ownership of the buildings on the land. Separating the land and the house takes time and a 30 days announcement must be made to the local authorities. And remember that foreign ownership rights on a building will only remain as long as other rights on the land last. One of the ways commonly used is to make a lease on the land, for a maximum of 30 years with an option to renew, and get ownership of the house. Another way would be to get a usufruct on the land or land and house for lifetime. Others decide to setup a Thai limited company to own a Thai property. A Superficies agreement can also be added to a rental contract. As you can see, there are solutions to foreign ownerships and you should consult a specialist to be sure that your rights will be protected. In practice, this means your company will need more licenses and permits to operate and that could be expensive. However, many Law firms in Thailand will offer to find you Thai people for your company. The company route is more expensive: Many documents have to be filed. If you really want to do some business in Thailand and acquire a property, find yourself a reliable Thai partner and that solution can be a good option for you. But like we stated before, that is an illegal practice, even if commonly used in Thailand. Consult our section on Thai limited Company. A lease if correctly drafted will be transmissible to your heirs. So, you will also have the choice to pass on your property to your successor. There are many different rental agreements that can be done. So, get a good lease agreement drafted by Thai registered lawyers. And think that your contract should be bilingual so you can understand what you sign. Options about heirs, renewals, future modifications about ownership laws can easily be added to your lease agreement. A good lease combined with a superficies agreement is an excellent way if your intention is to build a house on an undeveloped land. Another way to grant the ownership of the house to a foreigner would be to rent the land and get a building permit on the name of the foreigner. The building permit will operate as an ownership document if you wish to sell the property in the future. Consult our section about Thai Hire of Property lease contracts 3 Superficies Superficies can be added to a lease agreement and will give the superficiary the ownership on top of the land. But some Land Departments will refuse to register that right if constructions already exist on the land. Superficies are also transmissible to your heirs, just like a well drafted lease agreement. Consult our section about Superficies in Thailand. Again, consult our section on Usufruct Contract in Thailand to learn about this option. Again, a loan agreement can be added to a lease, or a usufruct, or superficies. Considerations to think about when buying a property in Thailand The most important thing that you should be concerned about while purchasing your new property is that you read the terms and conditions of agreement with due caution and do not miss out any vital points. And remember that all the rights mentioned above must be registered at the local Land department lease of more than 3 years, usufruct, superficies or mortgage. Before making any decision regarding your house the first step you should take is to fix up a limited budget for yourself, otherwise you will end up spending a lot of unnecessary expenses. The cost of various building materials and the things that you will need to complete

your house is not stable and may vary from day to day. Maintaining a budget will definitely help you, and if you see that your budget framework is not what it is supposed to be, then you may cut down on the interior of your house, and think when is it the best time to do it. If you do not want to face any kind of discomfort regarding your staying then you should forget all these issues and finish up making your house as soon as possible. Budget should not be the factor that should oppose you from getting the comfort of your new house in Thailand. So take a wise decision according to what fits you in the best possible manner and embarks upon buying a house in Thailand. Often, people buy a house, sign a contract and then see a lawyer to protect their purchase. That is a mistake because the sale agreement is already signed. Law firms dealing with properties can easily verify your contract and might even be able to negotiate with the builder, developer, or owner. Remember that you must agree on many aspects, not only the price. Who will pay taxes and transfer fees? Conditions about payments will vary a lot from one developer to another. In cases where large amounts are involved, due diligence should be made. Due diligence is a kind of investigation about the property. A construction agreement can be separated from a sale agreement. Some developers in touristic areas will often use that method to lower taxes.

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If the foreigner wishes to acquire land and build a house, he/she should obtain a long term lease on the land (for a period not exceeding 30 years each term). Read more about " Leases in Thailand ". The foreigner should apply for the construction permit to build the house in their own name.

However, foreign nationals do have the right to the ownership of buildings distinct from the land such as condominiums. Foreign nationals may own: A unit in a registered Condominium. A building distinct from its land. A registered leasehold of up to 30 years for all types of titled land or buildings. Foreign nationals may not own: Before purchasing property in Thailand make sure you have a good lawyer. The purchaser must request a letter of guarantee from the condominium juristic person setting out the proportion of foreign ownership which must be submitted to the Land Department upon transfer of ownership. Due to strict money laundering regulations, a FETF is also necessary to avoid complications and remittance tax when repatriating funds should the foreigner sell the condominium at a later date. You should clearly indicate the payment purpose on the payment order form in the field for a message for the beneficiary, including the name of the condominium and the unit number. **Owning Land** The two most popular ways for foreigners to purchase land are: **Long-Term Leaseholds** Registered leaseholds are secure and relatively straightforward. Long term leasehold can be structured to be tantamount to freehold ownership. Typically, the land is leased for a period of 30 years, renewable a further two times giving a total of 90 years. Security of the possession of land is assured by the fact that you are the legal owner of the buildings which occupy the land. Therefore, the lessor cannot take possession of the property upon expiration of the lease as the property is separated from the land and will not be a component part under the Civil Law. **Limited Liability Company** If you are not comfortable with the leasehold method, the alternative is to set up a Thai company that you control, and which can legally purchase land. The rest of the shares must be held by Thai juristic persons which your lawyer can arrange , who will sign over control of their shares to you. The land will be owned by the company. However, as managing director of the company, you control the voting of the other shares, and therefore you have control over the ownership of the land. The use of nominee Thai shareholders is prohibited under the Foreign Business Act **Thai Women married to Foreigners** Prior to , any Thai woman who married a foreigner would lose her right to purchase land in Thailand. She could, however, still retain land that she owned prior to marrying the foreigner. However, the recent Ministerial regulation now allows Thai women married to foreigners the right to purchase land, but the Thai spouse must prove that the money used in the purchase of freehold land is legally solely theirs with no foreign claim to it. This is usually achieved by the foreign spouse signing a declaration stating that the funds used for the purchase of property belonged to the Thai spouse prior to the marriage and are beyond his claim. **Law Firms** Having a good lawyer can make all the difference. See our **Phuket Directory** for a comprehensive list of law firms in Phuket: **Phuket law firms Real Estate for Sale.**