



Buyers Guide

Bangkok real estate :

Bangkok real estate is an investment in a destination that travellers see as the finest place in the entire world. And so do many Thais, which is why it's also a great investment.

While Bangkok consistently earns top ranking in tourism surveys, its real estate has options to suit a range of wonderful lifestyles.

The pinnacle of Bangkok real estate is generally seen as a place near Sukhumvit Road, the key highway through the city. Residents here are close to stations on Bangkok's gleaming skytrain, which brings all the city into reach with brisk, air-conditioned luxury.

What's more, real estate in this corner of Bangkok can offer rural tranquility right at the heart of this bustling metropolis. In the smaller side-roads off Sukhumvit, it is easy to find a home free from traffic and nestled amid lush trees and verdant lawns.

Bangkok real estate is mainly condominiums, which are especially attractive to foreign buyers, who can get freehold ownership. A condo worth 10 million baht - about €200,000, \$300,000 or £180,000 - also earns its owner the permanent right to live in Thailand.

But a much smaller investment in real estate in Bangkok can also buy a very desirable and central apartment. For instance, a studio in the hip neighbourhood of Ekkamai puts some of the city's chicest boutiques and liveliest restaurants on your doorstep, at a price that few of the world's happening postcodes could match.

In the prestigious neighbourhood of Pathon Yothin, investors in Bangkok real estate can enjoy an upscale lifestyle in a leafy enclave, while just a step away from global business headquarters, international fashion malls, spacious parks, bustling street markets and a spectrum of bars and restaurants.

The knockout appeal of Bangkok real estate is that while it offers substantial capital appreciation - buyers near skytrain stations are especially sure of gains - it is also a gateway into an endlessly fascinating world where ancient spirituality and cutting-edge fashion both come with the warmth of timeless courtesies.

Hua Hin real estate :

Hua Hin real estate is among Thailand's most attractive property markets due to the resort's unique character and its strong appeal for both Thai and foreign buyers.

Owing to a connection with Thailand's royal family that goes back almost a century, real estate in Hua Hin attracts Bangkok's social elite, while the town's tranquility and sophistication also draws foreign buyers in search of an unspoilt yet stimulating destination.

Hua Hin real estate brings its owners the security of investing in a sought-after and well-protected destination and offers a host of wonderful leisure opportunities. Properties here are also within a pleasant two-hour drive from Bangkok along a recently completed six-lane highway.

Golf is one of Hua Hin's leading attractions. Attractive real estate can be found, for instance, right by the well-known Black Mountain Golf Club.

In addition, Hua Hin real estate offers beaches and proximity to stunning sites such as Phraya Nakorn Cave and the mountains and forests of Kaeng Krachan, Thailand's largest national park.

The town of Hua Hin also hosts Chat Chai, Thailand's oldest night market, one of many traditional features in a resort that has carefully preserved its architectural and cultural heritage. A host of charming restaurants offer local delicacies and a choice of international cuisines.

Hua Hin real estate reflects the resort's high standing in offering solid appreciation and high rental incomes. Real estate investors in Hua Hin projects can pick up guaranteed rental income of about 6%, and benefit from developer financing of up to 60%. Substantial capital gains can also be gained by buying off plan at condo projects currently nearing completion.

Seafront condos and villas near golf courses are among the strongest investments in Hua Hin real estate. The peaceful and verdant surroundings of the tree-covered Black Mountains have also become a popular location for high-end projects.

Pattaya real estate :

Real estate in Pattaya is a market with outstanding bargains. Catering for every income level, Pattaya real estate ranges from elegant pool villas amid tropical gardens to highly affordable seafront condos.

Pattaya's cheap cost of living, excellent amenities and broad leisure options attracts a broad spectrum of real estate investor. Some real estate purchasers pick Pattaya for their retirement, to enjoy excellent golfing and upgrade their quality of life. Bangkok-based expats buy Pattaya real estate to have a weekend home within 90 minutes of the capital.

A growing amount of real estate in Pattaya and its quieter sister town of Jomtien is also bought as family holiday homes - bases for enjoying the often overlooked attractions of a town many only associate with bars and nightlife.

Attractions such go-karting and the Flight of the Gibbon tree-top ride are now extending the appeal of Pattaya real estate, which has always offered beaches, restaurants and shopping alongside its lively bar scene.

The town's growing sophistication is reflected in new international-style shopping malls like Central Festival Pattaya.

In addition to prices far cheaper than most other Thailand destinations, Pattaya real estate can offer advantages such as developer financing and guaranteed rental income. Substantial capital gains can also be expected, especially with the upcoming completion of a rail link to Bangkok.

Condo developments can be found in quiet central location in Pattaya that guarantee an 8% annual return for two years as well as lifestyle elements such as swimming pools and rooftop gardens.

For many retirees and families, real estate in Jomtien has the strong attractions of an excellent beach with a host of water sports as well as a calm residential atmosphere in marked contrast to Pattaya's constant activity.

The quieter rural surroundings of Lake Mabprachan have attracted high-end bespoke villa projects. This niche of Pattaya real estate takes advantage of the town's many skilled artisans to offer a quality of building and design almost unique in the Thai market.

Phuket real estate

Phuket real estate ranks among the world's most rewarding investments. With the island's resilient tourist industry, which has shrugged off even the global downturn, real estate owners are sure of strong returns as well as an amazing lifestyle.

Phuket real estate also offers one of the most varied offers in property, with real estate options suited to the vast range of vacationers that find their perfect break here.

By Phuket's stunning white sandy beach of Bang Tao, real estate investors can pick up condos targeted at rental gains and offering a guaranteed return of 6% per year for three years. But the exclusive east coast could appeal most to real estate purchasers seeking tranquil, low-density condo and villa projects in natural surroundings.

The many airlines now flying directly to Phuket have helped its tourist industry maintain high occupancies throughout a global slowdown. Phuket real estate also offers a host of amenities and leisure options.

On top of its justly famous beaches, Phuket provides a paradise for golfers - Blue Canyon is one of several courses with a worldwide reputation. The excellent health care standards of the Bangkok Hospital Phuket also pull in international patients.

Phuket real estate is also underpinned by marinas like Royal Phuket Marina, world-class education at schools like Phuket International Academy, sophisticated malls such as Central Festival Phuket, Juncyclon and a spectrum of wonderful dining options.

The delights of the natural environment include the jungle-clad hills of Phuket's interior and the spectacular islands of the yachting paradise of Phang Nga Bay.

Investors in Phuket real estate can leverage these attractions into solid rental returns and substantial capital gains. Many projects offer guaranteed rental incomes of up to 6% per year, sometimes along with developer financing. Annual appreciation of 9% is not unusual and further gains can be found by buying off-plan.

Residential

Thailand real estate is rarely a purely financial investment. The lifestyle that Thailand offers foreign residents is usually a big draw for real estate purchasers. Yet, for once, your head and your heart need not battle it out.

For Thailand real estate offers excellent capital gains and a steady rental income - on top of an idyllic life of white sandy beaches, friendly smiles and swaying palm trees.

Real estate in Thailand has consistently offered steady appreciation - typically of about 6% a year - and can also pay for itself in its rental value. Currently, Thai real estate can give a return of between 5% and 7% in rent.

Why invest in Thailand property?

Thailand is perceived as one of the most attractive places in the region, **and a** major destination for international tourists, foreign direct investments, and high quality infrastructures. Member and founder of the Asian, Thailand is the second economy in South East Asia, with an average growth of 5% during the last decade. Its geographic position, political and economy powers make Thailand the hub of the Asian.

The attractiveness of the country does positively impact the value added of real estate products. Every year, the Tourism Authority of Thailand reports a two figures tourism growth, with 26.5 million tourists in 2013. Additionally, there are strong communities of expatriates recording thousands foreigners from all around the world (Japanese, American, British, French...) and a fastest growing middle class.

According to HSBC international report, Thailand has been ranked the first best destination for expatriation in 2012. Furthermore, the estimation of Global Property identifies the country as one of the place with the highest rental returns in the region. For the apartments located in the city center of Bangkok, you may expect a profitability of 6.8% (gross).

Nevertheless, despite showing numerous economic opportunities such as high quality life or high rental returns, the real estate market is fluctuating depending on the location, the standing and the developer.

Thus, it is essential to assess objectively the market taking into account a wide selection of criteria including: the financial situation of the developer, the quality of the good, the legal restrictions while purchasing a house, the location...

Since 2000, our knowledge of the Thai real estate market combined with our skilled employees are the key factors of a successful investment and relocation in Thailand.

Thai Real Estate Agency proposes you an international approach adapting its services to your expectations and offering the best of Thailand's real estate.

For additional information about the real estate market in Thailand, please contact us.

Property ownership in Thailand

By promoting high standards of living and benefiting from its constant dynamism, Thailand today attracts more and more foreigners seeking for investing in the real estate market. Here below, find practical information related to the real estate market in Thailand.

1. Buying a condo
2. Buying a land
3. Lease and Freehold
4. Practical information

1) Buying a condo

In Thailand, foreigners are permitted to acquire a condominium under their name and own the property for an unlimited time.

However, they must respect 3 conditions:

- Purchase a condo in a residence offering the full ownership of the property.
- Ensure that foreigners can purchase any condominium project up to 49% of the total space of all units in that condominium
- Transfer 100% of the amount of the purchase price from an overseas source into Thailand

2) Buying a land

In most case*, Foreign persons are not permitted to own land. They cannot purchase a land under their name. However, foreigners are allowed to own the property built on the land, and lease the land for period of 30 years renewable.

*Foreigners may own up to one rai of land (0.4 acre) for residential purposes if granted permission by Minister of Ministry of Interior, and must remit a total of at least THB 40 million into Thailand over a minimum period of five years in a specific businesses or activities.

3) Leasehold vs Freehold

- Freehold
- Full property ownership
- Full rights are granted to the owner

- Provision of the total enjoyment of the property
- Ability to rent or sell the property
- Leasehold

Foreigners are allowed to purchase leasehold interests in land. For residential purpose, the maximum lease term is 30 years with possibility to renew.

Long term leases are registered at the land department.

4) Practical information

Deal with legal departments

For long term leases, it is highly recommended to deal with legal departments:

- Real estate agencies
- Lawyers
- Respectable owners, experts of the Thai real estate market

Ensure to register the lease agreement at the Land Department

The lease agreement must:

- Envisage an extension clause*
- Anticipate possible changes of the legislation **
- Mention the conditions of assignment and inheritance

*The owner commits to renew the lease at the due date

**If laws change, this approach gives you access to the full ownership of your property. Conditions must be specified in the contract.

In the event of long term lease (over a period of 3 years), it is mandatory to register the lease agreement at the Land Department. It must be written in Thai. Therefore, you must check that the contract has been previously translated in English and respect all the terms stipulated.

Avoid illegal schemes

To circumvent laws, some foreigners create their own company under the Thai legislation: financial resources are from foreigners but the ownership is mainly hold by Thai people, known as nominees.

The use of Thai Nominees for the purchase of land is strictly forbidden by law in Thailand

The consequences:

- On one hand the ownership may go to Thai people and not directly to the investors.
- On the other hand, the company may be dissolved if it has been proved 100% financed by foreign investments.

Investment visa

The downturn has had a definite upside for anyone planning to relocate in Thailand. To woo foreign investors, the government has revived the **investment visa**, which was first introduced in the aftermath of the catastrophic Asian Crisis of 1997.

In common with many countries around the world, **Thailand** is keen to attract well-off retired and semi-retired foreigners who can appreciate its phenomenal quality of life and, in return, give the economy a boost.

Thailand made its killer move in the global scramble for high-quality residents by introducing an attractive new visa - albeit one with a price tag of 10 million baht.

The investment visa offers the right to live in Thailand to anyone bringing 10 million baht into the country and putting it into property, government bonds or an account in a Thai bank - or any combination of those three that hits eight digits in baht.

Holders are prohibited from earning a wage in Thailand, but should get an unlimited right to stay here - as long as they remember to renew their visa annually.

Expats who took up the earlier version of the investment visa - which required an investment of only 3 million baht - still have the right to live in Thailand even after their visa was abolished in 2006.

Another attraction is that the **investment visa** has no age restriction. The retirement visa - which requires a monthly income of 65,000 baht or an 800,000-baht bank deposit - is only open to foreigners who are at least 50 years old.

Thai Real Estate going to say your best bet is property. But it is, anyway. For a start, it saves on rent. The return is also way above what bonds and bank deposits are offering.

Your options with 10 million baht in Thailand's current property market are also fairly broad. This is not a tremendous sum for many expats - it works out at about €245,000, \$320,000 but it can get a desirable property in Bangkok or in Thailand's resort destinations.

Bangkok residents with an eye on investment should consider that 80% of expats are looking to buy or rent freehold condominiums in Central Business District close to Bts or Mrt. At the moment, 10,000,000THB allows to purchase a 1 bedroom luxury condominium, 2 bedroom high end condominiums or 3 bedrooms in an older building with the ability to renovate at it taste. .

Alternatively, 10 million baht could get you a spacious villa at the seaside, with a swimming pool and 800 square metres of ground (although your ownership rights are much less clear than with a condo).

But the best of both worlds could be to pick up a pair of condos: one in the city and another in a resort town. This can open up an income stream as well as cheap weekends at the beach.

Rental incomes of between 5% and 7% are quite feasible in Thailand - way above what most markets can offer.

If you opt to buy in a resort and are looking for a return, you should consider what the market wants - which is to be as near the beach as possible. A beach-front studio usually trumps a one-bedroom

condo that is a kilometre away from the sea - although being near a golf course is another major draw.

In my view, Bangkok-based expats could definitively consider a weekend place in Pattaya, Phuket, Samui or Hua Hin. In their extremely different ways, they provide a comprehensive antidote to the city within a couple of hours' drive or fly, and they also offer opportunities for renting out accommodation on short-term basis, allowing to reach attractive yield in a short period of the year.

If you are the sort of person who reacts badly to Pattaya's earthy sense of fun, you might be surprised how family-friendly Pattaya and Jomtien have become - much more about golfing than ping-pong, these days.

Still, if you appreciate tranquility and traditional Thai culture, you could well find your spiritual home in the royal resort of Hua Hin, where Bangkok's haute monde have been spending their weekends for almost a century now.

For the Island definitely Phuket and Samui have the most sophisticated markets and will allow you to own a piece of these paradise place.

But wherever you choose to buy a second home, it can pay to find a development offering a guaranteed rental income. Many projects in Bangkok as well as resort destinations now deliver a guaranteed return. If you are happy to wait, you can also pick up great bargains by buying off-plan but with the payment scheme you may not have the ability to get your investment visa unless you transfer all the money in a bank account in Thailand, but the way this solution avoid you currency fluctuation.

Leasehold in Thailand

What are the restrictions on foreign ownership?

In Thailand, your rights as a foreign owner of property hinge on a single factor: are you buying a villa or a condominium?

If you purchase a condominium, the situation is clearcut. You can gain full freehold ownership, as long as you buy a unit within a building's foreign quota.

With villas, the issue is more complex..

Freehold and Leasehold ownership

With a villa, foreigners can currently only register a 30-year lease at Thailand's Land Department - although, in practice, buyers with a well-drafted contract at a well-managed development can expect to extend their ownership.

The current legal limit on ownership to 30 years is mitigated by two key factors:

First, almost everyone in Thailand's property industry expects property law to liberalise over the next three decades - so anyone buying now can benefit;

Second, many villa developers adopt various strategies to provide longer ownership.

Will leasehold law change?

Thailand is more open than most countries to foreign property ownership, but full freehold ownership of land - as opposed to buildings - is politically controversial. The consensus opinion is that Thailand will soon offer longer leaseholds on villas to foreign owners, although full freehold ownership is less certain.

Patima Jeerapaet, chairman of the property committee of the Joint Foreign Chambers of Commerce in Thailand (JCCT), told the Bangkok Post (30 April 2010) that the JCCT has submitted a final white paper on extending leasehold ownership to the Thailand Trade Representative Office.

This proposal would enable foreigners to register two consecutive 30-year leases at the Land Department, providing a cast-iron guarantee of 60 years of secure ownership.

Meanwhile, Aliwassa Pathnadabutr, managing-director of influential property consultancy CB Richard Ellis, has called for a 99-year leasehold term.

Will the law change? Almost certainly. Thailand's gathering economic strength will erode the fear of foreigners buying up the country, especially with the liberalisation of neighbouring markets.

As long as they put a relevant clause in their contract, foreigners buying villas under the current 30-year lease should also benefit from any change in the law.

Extending a 30-year leasehold contract

Plenty of villa developments already offer buyers extended leasehold ownership - and many of these developments can be trusted to deliver.

While the Land Department cannot register a lease on a villa that lasts more than 30 years, a development can specify the renewal of a buyer's lease in their contract. In addition, the contract may contain a clause that ensures the buyer can upgrade his ownership in line with any relaxation in Thailand's property law.

Other, more questionable, ways to ensure longer-term ownership of villa include registering a property in the name of a Thai or setting up a Thai-majority company with phantom Thai shareholders. In practice, these strategies seem to work, although they might not survive a court case.

Is a 30-year leasehold enough?

Investors uncertain about buying a villa under Thailand's current legal restrictions may consider the likely returns from their villa over the 30-year term of their lease.

With the market's current rental yield of 6% per year, buyers should be able to recoup their investment within 30 years. The cost of renting a villa for this period would also far exceed the price of a 30-year leasehold purchase.

That said, buyers who are looking for longer-term ownership of their property should find a developer they can trust, with the security of experience and a good reputation.

The renewal clauses has to be stipulated clearly in the lease agreement registered in land department (Thai language).

Invest in a Resort Residences in Thailand

Hotel residences are residential program providing hotel services. This kind of residence is becoming really popular, especially in touristic area.

In fact, investors can buy a fully owned condominium in a residential complex, run by professionals who will take care of the daily management (booking, concierge, reception, cleaning...).

Services' standardization and share of resources lead to management cost reduction, booking rate and rent prices optimization, and better rental return in general.

This type of residences will satisfy different kind of investors:

- **Leisure investment:** Enjoy your apartment and high-quality services during holiday, and rent your flat to generate rental return when you don't occupy it.
- **Rental investment:** maximize your rental return by giving the management of your apartment to an efficient team of professionals.
- **Residential investment:** Enjoy hotel services all year long, popular choice among retirees.

Management professionalization and the arrival of big hotel chains on this field contribute to this concept development.

Management is the main key for property enhancement. Here, investors can enjoy recurrent rental returns and estate appreciation.

Professional management expertise, location relevance, match between the kind of services provided and the targeted customers, all are the factors that need to be taken into account before acquisition.

These factors combined with the Kingdom hospitality, its touristic dynamism, and its amazing quality/price/services ratio make Thailand the ideal place for this new real estate concept.

Here are a **selection of Residences with hotel management services in Thailand:**

Hua Hin Seaside Resort - 6% at year rental guarantee during 3 years - Management by Best Western

Residence complex located at 100m from the beach and 10min from the centre of Hua Hin. Impressive amenities developed on a 42 rai (7 hectares) land. Amenities include big swimming

pool, tropical islands, fitness, sauna spa....

The residence is managed by Best Western, the world largest hotel chain.

Rental guarantee : 6% at year during 3 years

Starting price: 2,100,000THB for a studio of 29m²

Unit types: Studio, 1, 2 and 3 bedrooms

Pattaya - Pratumnak Résidence - 10% rental guarantee during 10 years.

A family resort consisting of several condominiums building located at 400m of the beach, on Pattaya's pleasant Pratumnak. Each condominium has it own amenities, but also the wide of choice in terms of common facilities is impressive. Several restaurants, massages, convenient stores, club house, large swimming pool, receipt and concierge... A fully integrated resort.

Rental guarantee : 10% at year during 10 years.

Starting price 2,380,000THB for a studio of 29m²

Unit types: studio, 1 and 2 bedrooms

Phuket - Surin Residence - 7% rental guarantee during 5 years with 1month personal usage

A modern residence managed by a professional hotel management company who runs few hotels in Thailand. Located 650m from the beach, this residence is in the middle of a nice environnement offering easy access to either Bangtao or Surin. T

Rental guarantee: 7% at year during 5 years with one month personal use

Starting price from 2,900,000THB for a large studio.

Phuket – Rawai Residence - 7% rental guarantee during 5 years - Management by Best Western

A beachfront residential complex located in the south of Phuket, between Rawai and Chalong. Managed by Best Western and built by an experienced local developer. The residence consisting of studio, 1 and 2 bedrooms units, and beachfront pool villas. The long swimming pool, beach club, restaurants and hotel management services attracts either holidays home buyers than investors.

Starting from 3,200,000THB for a freehold condominium (2,970,000THB in the Thai quota).

Rental guarantee : 7% at year during 5 years.

Kui Buri Villas & Resort - 8% at year rental guarantee during 10 years

Managed by X2 Resort, a leading independent hotel management company. Kui Buri Villas and Resort is located at 1h south of Hua Hin, on a beachfront location. Popular choice among Thai wealthy family from Bangkok, the resort is also seducing Scandinavians and Europeans looking to

pamper in a preserved environment and enjoying the services of a 5 stars. The villas will be adjacent to the resort which is operated since 2008.

Rental guarantee : 8% at year, rental guarantee during 10 years
Fully furnished 2 bedrooms pool villas at 11,900,000THB

Mortgages:

It is possible for a mortgage to be registered over a land or structures. A mortgage granted by a foreign finance company can be registered on the title deed.

- **Acceptable Classes of Land Title to Foreigners**

Although other many classes of title are available, foreigners are advised to limit their search to two classes of land title, namely Chanote title and Nor Sor Sam Gor.

In the case of Nor Sor 3, the superior Nor Sor 3 Gor is preferable since the borders have been more accurately measured. The Chanote and Nor Sor 3 Gor are the only land titles where registered rights of ownership or lease can exist. Therefore any land titles lower than these are not recommended for foreign investment.

1.Chanote (Nor Sor 4 Jor)

This is the only document which can be described as a land title deed, because this alone confirms ownership of the land and is registered with the Land Department. The land is accurately surveyed and plotted in relation to a national survey grid, meaning the ownership, boundaries and area measurements are noted. Any encumbrances burdening the property such as mortgages or servitudes are also registered.

It is possible to sub-divide the land and this class is regarded as the best available in Thailand.

2.Nor Sor 3 Gor

The Certificate of Land Utilization, more commonly referred to as a “Nor Sor Sam Gor”, signifies the land occupier’s right to utilize the land. The land is generally surveyed and each plot is cross-referenced to a master survey of the area and a corresponding aerial photograph. The boundaries are accurately marked. This is generally regarded as the second best title and again may be sub divided. This class of title can be upgraded to Chanote at the Land Department.

Any land titles lower than Chanote or Nor Sor Sam Gor are not recommended for foreign investment

Transfer of Ownership (Registration at the Land Department)

All registered dealings in land and structure are recorded at the Land Department. Transfer of ownership, lease, mortgages, lien, servitude (easement), sub-division, upgrade etc. are all applied for and registered at the Land Department. The Land Department does not have in place any procedure for carrying out Due Diligence when transferring land this is normally carried out by qualified legal professionals.

Costs:

1. Mortgages

The fee and stamp duty payable for registration of a mortgage is 0.06% of the declared mortgage amount, with maximum fee of 200,000THB of the amount declared in the mortgage agreement and capped at a maximum of 200,000 Thai Baht payable, if the property is;

(a) part of a license development, condominium, house or commercial building, or;

(b) if land, if there is a registered structure upon it, and the land area is less than 1 rai.

If not within the above, then the fee will be 1.05% of the declared mortgage amount, with maximum total fee again 200,000 THB for land in excess of 1 rai that is not situated in a licensed development.

2. Leasehold

Leaseholds for terms longer than 3 years must be registered at the land office. The registration fee payable upon registration of a lease at the land office is currently 1.1% of the total lease value.

3. Land and Property Taxation

Building and Land Tax is imposed against the owner of a house, building, structure and/or land subject to the first residential property exemption rule.

A local development tax is levied against any person owning or in possession of land. The applicable rates vary and are valued by local authorities. There is an allowance for land used for personal dwellings and this varies upon the location of the land.

The tax rate is 12.5% of the assessed annual rental value of the property for both residential and commercial premises.

4. **Transfer Costs**

Sale & Purchase

There are 3 government fees to pay at the land office:

1. Transfer Fee – Land only

2% of the Land Office appraised value

or

– Land & House

0.01% of the Land Office appraised value

2. Income Tax:

– When the Seller is a Company...1% of the Land Office appraised value of the property or actual transaction value (whichever is the higher)

– where seller is a person – calculated on Land Office appraised price on sliding scale of personal income tax

– such tax is deducted from the income tax bill for that year

3. Stamp duty (applicable when the seller is a person – not a Thai Co. Ltd)

– 0.5% of the of the Land Office appraised value of the property or actual transaction value (whichever is the higher)

– applies only if land has not been transferred within the previous 5 years

(Not applicable between March 2007 – March 2009 where reduced SBT only applies – see below)

or

3. Special Business Tax (SBT)

Currently reduced to 0.11% of the Land Office appraised value or actual transaction value (whichever is the higher)

(Reduced rate applicable March 2007 – March 2009)

When purchasing a Condominium Unit or a property from a Licensed Development

There are 3 government fees to pay at the land office:

- **Transfer Fee**

0.01% of Land Office Appraised value (reduced rate applicable March 2007 – March 2009)

- **Withholding Tax**

1% of the declared purchase Price

- **Special Business Tax (SBT)**

0.11% of the Land Office appraised value

(Reduced rate applicable March 2007 – March 2009)

(These fees are correct at the time of going to press – fees may be adjusted)

Rent a property in Thailand:

We aim to make the renting process much easier for you, thanks to our large selection of properties, and our comprehensive approach of the Thai real estate market.

1- Initial contact

Our agents listen carefully to your needs and define with you your project regarding your criteria and standards:

- Your initial budget
- The type of property
- The location of the property
- The duration of the renting
- The quality and workmanship of the property
- The legal processes involved in renting a property

We keep you informed about the best opportunities of the market and guide you during all the procedure.

2- Organize the Visits

Our team will prepare a selection according to your criteria.

Usually, we will introduce you several properties in location matching your requirements. In addition to visit, a fine selection of properties you will learn about the environment, places...

If in the first selection, you didn't find yet your future home, we will adapt the selection with the new inputs and criteria you may have following the visit to prepare a new selection.

3-Lease agreement

Once you have elected your property, we planned several appointments and accompany you to elect the best apartment. Then we draft the lease agreement with the owner.

Here several elements should be specified in the lease agreement such as the following:

- Duration of the lease
- Start of the lease
- Rent
- Amount of security deposit (usually 2 months)
- Extra services included in the lease (if any)
- Inventory
- Passport copy of tenants

After agreeing on each term of the contract, seller, buyer and developer meet to sign the lease agreement.

You will be expected to pay:

- Security deposit: usually 2 months/rent
- First month of the rent in advance

4. Subscription and additional services

Subscriptions and services such as TV satellite, Internet...

5- Moving in

The date of the moving in, we welcome you with the owner to make the schedule of features. Then, we deliver you the keys and ensure your well establishment.

Practical information:**Which information to consider before meeting our agents?**

- The destination/district
- The duration of the lease agreement
- Your budget
- The date of your moving in

Signature of the lease agreement before moving in**For long term rental:**

- 1 or 2 months before moving depending how long you will check-in after signing the contract

For short term rental:

- Full Payment in advance and pay deposit at the check-in

Commission/ percentage:

We provide free services. Furthermore, commission is paid by the owner and comprised in the rent. So definitely, you benefit from valuable services at no cost from Thai Real Estate Co., Ltd.