

## **BUYING A HOUSE IN THAILAND**

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Thailand has been a magnet for holidaymakers and travellers for many years and overseas property buyers recent years. The number of foreign nationals owning properties in Thailand is continually growing. Buying land or property in Thailand is attractive because of investment or business reasons as well as residence or retirement purposes. There's a wide range of Thailand property and prices vary enormously across the country. The cost of living is generally low and it is generally a safe and welcoming country for visitors. There's also culture, magnificent natural beauty, delicious cuisine and great weather.

We have different ways to buy real estate in Thailand. Firstly, we should understand that being not a Thai citizen, you can't own land in Thailand. Thailand land law generally prohibits foreigners from owning freehold land in Thailand. However, there are various exceptions in the law regarding this issue. There are also other methods available for acquiring valid and legal rights to land and real estate in Thailand that do not amount to outright ownership:

1. Land Leases. If the foreigner wishes to acquire land and build a house, he/she should obtain a long term lease on the land. The land is purchased on a 30 year leasehold, with an option to extend the lease for further 30 year periods. Possession of the land is assured by virtue of the fact that the property occupies the land. 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 is 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.

2. Company Ownership: If a foreigner is going to operate a business in Thailand then he may purchase the freehold of the land through his Limited Company. The land will be owned by the Company, not the individual.

3. Investment: Thai real estate law allows foreigners to buy and own a limited amount of land based on investment of 40 million baht for five consecutive years, provided that the land is used for residential purposes. They will then be allowed to purchase up to 1 Rai (1,600 square meters) of land.

4. Thai Spouse: According to Thai real estate law, a Thai spouse of a foreigner may be allowed to buy land or property in Thailand in his or her own name. But recent amendments that allow a Thai spouse (male or female) of a foreigner to buy land require proof that the money used in the purchase of freehold land is legally solely theirs with no foreign claim to it.

In my project I would like to tell more about the real estate in Pattaya. Pattaya is a rising star in the international yachting scene so property prices look set to continue to rise Property in Pattaya is popular with buyers looking for both rental income and capital growth. But

property prices are among the highest in the country. Coastal development is spreading quickly but inland properties overlooking golf courses are becoming more popular.

Imagine that you are person who would like to buy a house in Pattaya for living in the winter mounts (like a Russian people who buy a hose in Pattaya). Most foreigners when deciding to purchase real estate in Thailand look at purchasing a condominium. It would be safe to say that most foreigners buy real estate in Thailand either for retirement or as a property investment We haven't a lot of money, and haven't a lot of time to search a house of our dream.

Firstly, we should choose what Property we want: Flat, house, apartments, bungalows, land, commercial properly or others.

Secondly, how many we can spent. Most of Russian peoples try to minimize their costs. Suppose that we have about 25000-50000\$ it is the smaller pries for properly.

Thirdly hire the agent, who help you to overcome the a lot of problems that you can meet. Buying any Real Estate in Thailand be it a house or a condo always requires the services of a reputable law firm. Once you have decided which real estate you are going to purchase, always consult a lawyer before signing any documents. The following would be checked amongst other property services. They would do a title search and check the contracts before signing. Also note the type of Title Deeds in Thailand. If you are buying a condo off plan, you would need legal advice as to buying in pre construction projects.

Also we should choose how bedroom and bathroom our apartments should have, in what floor it should located and so on.

Then we should count a lot of Transaction Costs

Now we can see what flats we can buy:

| View Talay 1B                        |                                   |                                     |                                   |
|--------------------------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| Area: Jomtien                        |                                   |                                     |                                   |
| <a href="#">Add to my Favourites</a> | <a href="#">Request more Info</a> | <a href="#">Print this Property</a> | <a href="#">Return to Results</a> |
| Art.Nr:                              | PC1182                            | Bedrooms:                           | Studio                            |
| Type:                                | Condo                             | Bathrooms:                          | 1                                 |
| Status:                              | For Sale and Rent                 | Furnished:                          | Fully                             |
| Price (THB):                         | 1,218,000/10,000                  | Interior:                           | 32 (Sqm)                          |
| Air Con:                             | Full                              | Views:                              | City                              |
| Pool:                                | Communal                          | Kitchen:                            | European                          |

1)

## Jomtien Beach Condo

Area: Jomtien

|                                      |                                   |                                     |                                   |
|--------------------------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| <a href="#">Add to my Favourites</a> | <a href="#">Request more Info</a> | <a href="#">Print this Property</a> | <a href="#">Return to Results</a> |
| Art.Nr:                              | PC0435                            | Bedrooms:                           | Studio                            |
| Type:                                | Condo                             | Bathrooms:                          | 1                                 |
| Status:                              | For Sale and Rent                 | Furnished:                          | Fully                             |
| Price (THB):                         | 1,400,000/14,000                  | Interior:                           | 30 (Sqm)                          |
| Air Con:                             | Full                              | Views:                              | Sea                               |
| Pool:                                | Communal                          | Kitchen:                            | European                          |

2)

## Baan Suan Lalana Condo

Area: Jomtien

|                                      |                                   |                                     |                                   |
|--------------------------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| <a href="#">Add to my Favourites</a> | <a href="#">Request more Info</a> | <a href="#">Print this Property</a> | <a href="#">Return to Results</a> |
| Art.Nr:                              | PC0431                            | Bedrooms:                           | Studio                            |
| Type:                                | Condo                             | Bathrooms:                          | 1                                 |
| Status:                              | For Sale and Rent                 | Furnished:                          | Fully                             |
| Price (THB):                         | 1,450,000/18,000                  | Interior:                           | 40 (Sqm)                          |
| Air Con:                             | Full                              | Pool:                               | Communal                          |
| Kitchen:                             | European                          | Cable TV:                           | Yes                               |

3)

You can notice that a choose only Jomtien area, because in other areas Russian people complain for terrible smells of sewerage.

If we want live in this flats only in winter, we can rent it in other mouths. Count our catch:

|                 | 1        | 2        | 3        |
|-----------------|----------|----------|----------|
| House cost      | 1218000  | 14000000 | 14500000 |
| Rent (1 mouths) | 10000    | 14000    | 18000    |
| Rent (9mounts)  | 90000    | 126000   | 162000   |
| Payback         | 13 years | 11 years | 8 years  |

In the end I would like to say that the buying a flat in Pattaya is good idea for you if you have about 1500000 ruble. Because you can enjoy summer holidays in Pattaya every years and have additional income every mounts.