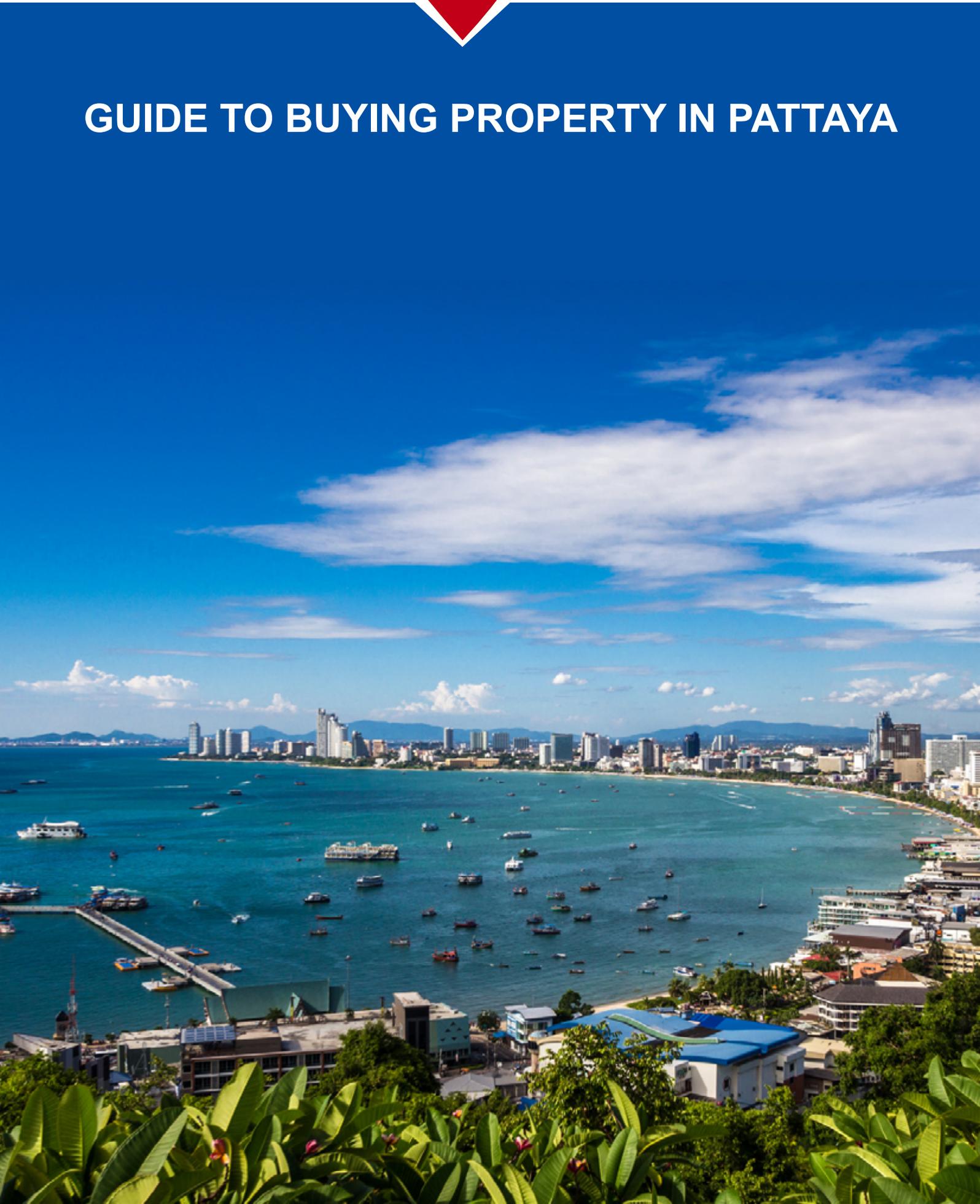




GUIDE TO BUYING PROPERTY IN PATTAYA





Why Pattaya is the Ultimate Place to Buy Property

There is nothing more magical and inspiring than living, working or holidaying in a destination that combines all-year-round sun-drenched climates, beaches, friendly and smiling faces and lots of investment potential. We are lucky to be living in Thailand, and more specifically Pattaya, where the world-class holiday environment is enhanced by the massive growth of the local real estate market, offering great opportunities, especially for those seeking to benefit from the solid off-plan condominium marketplace.

Sweeping majestically across Pattaya, there are many projects already constructed or in the midst of construction, most notably in areas such as Pratumnak Hill, Central Pattaya, Wongamat at Naklua and Central Pattaya itself. Basking in wondrous beachside locations within close proximity of many local amenities that focus on the international market, Pattaya successfully manages to balance inspiration from both Eastern and Western philosophies where you are the recipient of the best of both worlds.

Understanding property laws in any country can be a migraine headache of the highest order, so knowing the lay of the land and the intricate nuances of Thai property law are essential. You don't have to be an expert, but at pattayacondoshop.com, we have created and simplified ownership laws and all the things you need to heed and consider inside this 'Guide to Buying Property' when purchasing a condo in Pattaya.





1.GETTING STARTED

At pattayacondoshop.com, we are the ultimate solution to finding the best condominiums and apartments for the best prices, either for residential purposes or as an investment to make back money through rental returns or resale. Whether you seek 'ready to move in' apartments or off-plan condos with vast potential for high profit margins, the first thing you need to do is decide what type of property, price and location you desire.

1.1 Deciding what you want from your Pattaya property purchase

What are you seeking from your Pattaya property purchase? Are you looking for somewhere to live, rent-out or an investment? Which location works best for you? There are so many questions you need to answer to yourself before even considering parting with your money.

1.2 Researching your ideal location

There are many reasons for purchasing a Pattaya condo, so please take into consideration what it is you are striving to achieve with your foray into the Pattaya real estate market, do your research and know what you are dealing with. Read the local newspapers, magazines and websites that offer an insight into the Pattaya region so you get a better feel of the landscape, or you can ask us for advice as we have lived here for many years and have unparalleled knowledge of the area. You can find out more information regarding the best places to live in the region by clicking here to check out our location guides.



DECIDE WHAT YOU WANT FROM YOUR PATTAYA CONDO AND ITS PURPOSE:

- **Residential** - If you are seeking a residential apartment because you want to live in the Pattaya region, think about what you need in terms of your location. Do you want to be close to the beach? How about close proximity to nightlife, shops and lots of international restaurants? Maybe you are looking for somewhere with a tranquil location away from the hustle and bustle or somewhere that enjoys privacy and seclusion while being a short distance from all the action? Know what you want!

- **Invest to Sell** - The Pattaya real estate market has a thriving off-plan condo scene, where you can buy Pattaya condos before they are built, which offers vastly reduced prices and also gives you time to pay the full amount in installments. Developments sell their condos

at a fraction of the full-sale price before they are actually constructed (off-plan), which allows you to get the lowest prices with the aim of reselling at a higher price when completed.

- **Invest to Rent** - If you are buying with the aim of placing the property on the rentals market, you need to find a condo in a prime holiday area where tourists would benefit from a convenient location. The holiday rentals market has been rapidly growing over the past 5 years, so purchasing a condo with the aim of making back rental returns is a great investment opportunity. Many of the city's developments have 'Return on Investment (ROI)' plans built into their packages, so there is lots of choice with varying rental return percentages per annum.



2. MONEY MATTERS – FINANCING YOUR PROPERTY PURCHASE

Purchasing a property, either at home or abroad, is an important decision, and one not to be taken lightly. Getting your monetary matters in order is always important, especially so when purchasing in a foreign country, as local real estate nuances will be different to those in your home countries.

Key financial points to consider:

- How much money do you have to spend on the property?
- Will you be buying your property with one single payment or will you need finance or a mortgage?
- Is there an initial payment deposit to be made or do you have to pay in one go?
- Do you need to find a property payment plan with installments?
- Are there any additional costs of maintaining a property in Thailand?
- Do you need to consider fluctuations in currency exchanges?
- Are there additional taxes to consider when buying property in Thailand?
- What purchasing terms are available when buying property in Thailand?

2.1 Choosing the best purchasing terms

There are a few purchasing term options and payment procedures that you need to fully understand when buying property in Thailand, all of which we can inform you about at pattayacondoshop.com when you talk with us directly, but here is a comprehensive list for you to study:

- **Foreign Ownership:** There is a myth about the Thailand real estate market that says, as a foreigner, you cannot purchase property in your own name, but in reality this is all a smoke and mirrors illusion. By utilizing the “Foreign Ownership” purchasing terms, you can actually purchase a condo in your own name in a completely legally-binding sense.

Foreign Ownership is the most hassle and stress-free way to buy condos in Thailand. After which, you can do whatever you desire with your property, such as renting it out to make back money through rental returns, or giving it to someone else as a gift, or even to resell it on to another foreigner or to a Thai-Thai company. Inheritance is also not a problem with these terms, although there are still certain rules for which you must adhere.

This Foreign Freehold choice really does make it the simplest option for property purchases in Pattaya. Although taxes, approximating to 2-3% of the sale price, are involved with selling your property to another party, there are no other fees, aside from service costs involved when you hold this property.

All the money you use to buy the condo and bring into the country as a foreign currency must be detailed, meaning you have to show where your money came from in order to legally buy the property. You will need to complete a TorTor 3 Form in order to transfer the money.

- **Company Ownership:** Purchasing a Pattaya condo with Company Ownership Terms can be a cheap option, especially if you buy off-plan units because the payment plans usually dictate that you pay the last big sum of money only when the property is completely constructed, and only then do you receive the keys for the premises and legal ownership. Company Ownership will cut down on the costs, as you won't have to pay any taxes because you are simply changing the company's director, which means that the Land Department is not involved in the purchase. Basically, the company name stays the same with you becoming its director.

This can cause a few knock-on effects such as inheritance of the property is more difficult, unless you make your heirs the shareholders of the company. You will have to pay a yearly accountancy fee of approximately \$500 USD to keep your books in check for tax purposes. You need to set-up the company about 1-month prior to purchase, but at pattayacondoshop.com, we can introduce you to qualified lawyers in the city who are adept with Thai property laws.

- **Off-Plan Payment Procedures:** There are a few things to consider when purchasing off-plan properties, such as you don't need to pay the complete price in total until the property's construction is complete. Buying off-plan does require an initial down-payment of between 15% and 30%, and when the construction starts, there will be interest-free installments expected on a regular basis depending on the development's procedures. When construction on the property is complete, there will be an end sum or balloon payment, which when made, the ownership will change hands from the developer to you. Payment structures vary from project to project.

2.2 Exchange Rate Fluctuations

The economic world in which we live today is so dynamic and sporadic, so fluctuating exchange rates can heavily impact on the money you sent from your home countries and what you actually receive when exchanged into Thai Baht. Thailand enjoys quite a stable currency exchange, but the same cannot be said about other economies around the world. Please keep a fixed eye on exchange rates when sending your money to Thailand, to ensure you are getting the best exchange possible.

2.3 Finance and mortgages

It is not impossible for foreigners to get mortgages or finance in Thailand, but it mainly depends on the said development's relationship with the bank. Some condo developments specialize in finance packages while others don't. It really is a case of finding the right development that matches your financial situation. At pattayacondoshop.com, we can give you the best advice in terms of condo development's that offer finance packages to foreigners.

2.4 Additional costs of buying property in Thailand

There are additional one-time-costs involved with the hand-over of your property when purchased, such as the Sinking Fund, as each owner is required to add his or her part to the sinking fund. There will be no surprises because the terms of payment will already have been specified in your existing contract. The sinking fund sum is calculated by the square meters of your property, which will then be multiplied by the fixed amount, which is usually about 400 to 600 THB, which serves to cover maintenance and repairs such as painting the outside of the building, maintaining elevators, gardens and so on. You will also be expected to pay for the connection and installation of Water & Electricity Meters, costing approximately 15,000 THB.



3. FINDING & PURCHASING PATTAYA PROPERTY



Now you have considered the financial outlays and costs involved in buying a property in Pattaya, it's time to get started with the fun stuff: finding a property that suits your budget and fulfills your main goals.

- **Step 1: Peruse Pattayacondoshop.com to find a condo** - Now you have decided which route to take it's time to get pro-active to find the ideal Pattaya condo that meets your specific needs. At pattayacondoshop.com, we have the best choice of Pattaya condos due to our trusted relationships with the city's most reputable developers. So please select our Search Function by clicking [here](#), where you will be able to streamline your search in terms of location, price and how many bedrooms or give us a call and we can find something that suits your requirements.
- **Step 2: Contact us directly for more details** - Now you have a solid idea on the properties you are interested in, you can contact us directly by clicking [here](#). We will discuss your options or even offer you similar options so you have lots of choice. We can also take you to personally view the developments in question so you get a first-hand account of the property. When you have decided which property you want to buy, it's time to figure out which ownership details better suit your acquisition.
- **Step 3: Choose your ideal condo and negotiate price** - Now you have viewed your desired condos a few times, it's time to choose which one fits your criteria in terms of price and location. Remember that speaking with the developer, you can find out their flexibility on price because when so much money is involved, you will hold a real strong position to negotiate. Choose carefully, because once you have paid a deposit or the amount in full, and signed a contract, there is no turning back.
- **Step 4: Property Hand-Over** - Now everything is firmly in place and decided, and all relevant payments have been made, it's time for the property to be handed over to you from the developer. You will then need to register your property at the Land Department, which will include stamps, costs of the Chanote Title Deeds and house-book.



4. LEGAL MATTERS WHEN BUYING CONDOS IN PATTAYA

Most of us are in the dark when it comes to legal matters, even in our home countries, so it's important to arm yourself with excellent legal representation when buying a property in Thailand. There is no bigger turn-off than being bogged down with legal jargon and the shackles of bureaucracy, but if you fail to adhere to legal nuances, your property dreams can easily become nightmares.

4.1 Legal Matters - Buying and Renting Property in Thailand

Without going too heavily into the legal requirements of buying property in Thailand, the first thing we would suggest is finding a lawyer whose expertise lies in the Thai real estate market law. There are some excellent lawyers in the Pattaya region, and some not so excellent, so making the right choice at the first time of asking is essential. At pattayacondoshop.com, we know the terrain of the city well and can advise some of the best real estate lawyers in Pattaya who are independent from our business, offering you the correct legal advice with your best interests at heart.

We ARE NOT real estate law experts by any stretch of the imagination, but there are 3 legal issues you will need to consider, depending on your investment criteria. These issues are: 1) whether the condominium development where the unit being offered is (or will be) “registered” under Thailand’s Condominium Act; 2) whether the unit falls within the “foreign freehold quota”; and 3) whether the investor can meet the currency requirements as set forth under the Condominium Act.

4.2 Conclusion

whether you are purchasing a property in Thailand to reside, sell-on or rent to another party, there are individual nuances you will need to adhere to. As mentioned above, obtaining the best legal advice is the only way forward to protect your interests and to maneuver your way through Thai real estate laws.



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