

How to buy land & house in Thailand by Drew Noyes

In 1997, during the Asian Financial Crisis, I was invited to Thailand along with many other international businessmen and we were asked to help the Thai economy by establishing businesses here. I choose to do so under the protection of the Treaty of Amenity offered exclusively to American investors by His Majesty the King. Protecting my assets has always been my primary goal.

Secondary to profits. Since Thai law currently prohibits foreigners from owning land in Thailand I asked advisors and lawyers for a good alternative. So when I bought my first house in Pattaya I put it in the name of a trusted Thai friend, my Thai wife, and I registered a mortgage (in Thai it is called a "jamnyong") against the property for the cost of the house plus improvements.

The house can not be sold without paying the debt back to me. The land office in Pattaya has the tilted deed and it clearly states on the back the amount owed and to whom so it is impossible for the property to be sold without paying me since all sales transactions have to go before the land office for approval. I could have also record a lease at the Pattaya land office for property for up 30 years stating that I, and only I, if I wish, have the right to live in or use the subject land and or house.

The person whom I put the property in the name of would give me a receipt for money paid in full in advance to her by me for this 30 years lease. By showing as evidence my rights to the property with a copy of the recorded lease the police nor anyone else can evict me from the property should a domestic dispute erupt. I believe it is highly advise able to have both a mortgage against the property and a recorded lease on the property for ultimate security.

With a recorded mortgage the Thai person who is named as the legal owner can not borrow money against the house if there is already a mortgage for the equity value of the property. I could also put the property in any Thai person's name for the benefit and ownership of my Thai children who could not sell it until they were 20 years old.

The Thai Elite Program has been trying to get approval to allow members who pay one million baht the right to own one rai of land for their home, but approval has not yet been granted. I could also put the property in any Thai person's name for the benefit and ownership of my Thai children who could not sell it until they were 20 years old, but there are some risks.

Before doing any of this consult a licensed attorney. At PAPP Co., Ltd. we have six licensed Thai lawyers to serve all of your legal needs in Thailand. Visit www.pattayalawyers.com for more information.

This advice is just to explain what I did, not necessarily what is right for you to do.