

WHY THAILAND?



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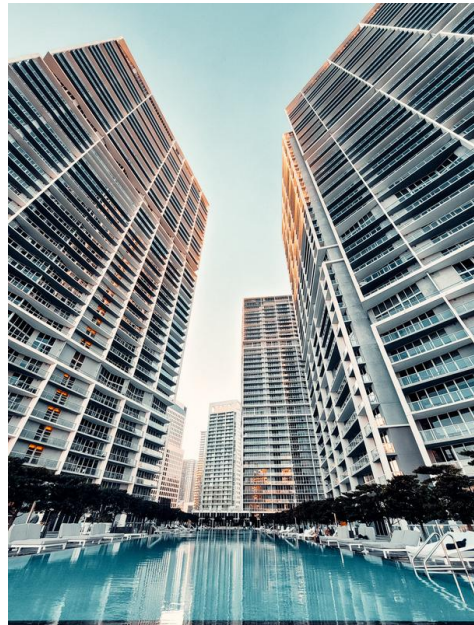


“Real Estate Investment for foreigners in Thailand”

AGENDA

1. Types of Real Estate Investment in Thailand
2. Requirements for holding ownership in Thailand
3. Government policy
4. Popular locations
5. Current prices
6. Fees and taxes
7. Market analysis
8. Repatriating funds after selling real estate
9. Key considerations for foreign real estate investors

Types of Real Estate Investment in Thailand



Condominium Unit



A land and/or house/building
(subject to conditions)

Requirements for holding ownership of condominium unit in Thailand

- Foreigner (individual/juristic person) eligible to own up to 49% of the ratio of the entire condominium project

51%

Thai

49%

Foreigner

- The payment for purchasing of condominium unit must be transferred from overseas into a Thai bank account (the purchaser's bank account or the seller/developer's bank account) and converted to Thai Baht
- The purpose of the fund transfer must be specified as "To Purchase a Condominium Unit"
- A Foreign Exchange Transaction Form (FET-Form) issued by a Thai commercial bank is required to be submitted to the land officer during registration for transferring of ownership

Requirements for holding ownership of land in Thailand

Foreigner (individual/juristic person) generally are not permitted to own land, except:



Investing in Thailand

- Such as government bonds, real estate investment trusts and shares in the entity obtained BOI promotion
- Must maintain investment not less than 3 years



Granting promotion certificate by the BOI

For business purpose (up to 5 rai (8,000 sq.m.) for office use and 20 rai (32,000 sq.m.) for workers' accommodations)



Granting promotion by the IEAT

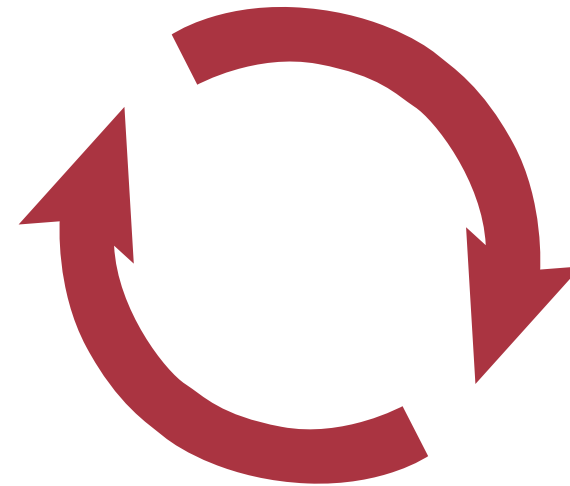
For business purpose (up to 3 rai (4,800 sq.m.) for executives/experts and 5 rai (8,000 sq.m.) for workers' accommodations)

Requirements for holding ownership of house/building in Thailand

Residential/Business Purposes:



Foreigners generally allow to own house/building (but not the land).



Land possession can be under lease transaction, maximum 30 years, renewable

Government policy

CONDOMINIUM

Current Status

- Up to 49% of the ratio of the entire condominium project

Proposed Policy (June 2024)

- Increase to 75% of ratio of the total condominium project
- Still under research and study phase

LAND

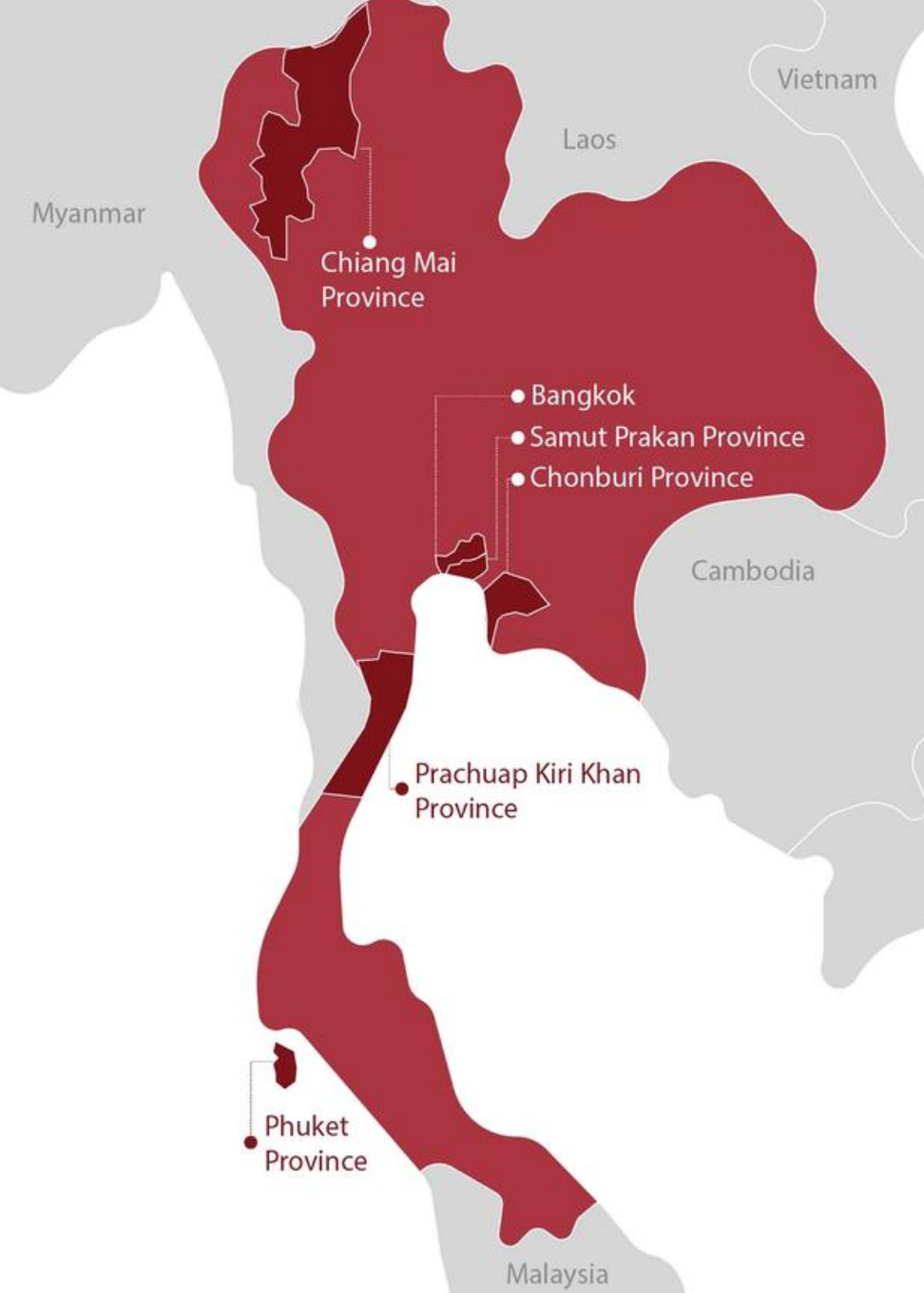
Current Status

- Direct ownership by foreigner is generally prohibited
- Leasehold right is allowed, maximum 30 years

Proposed Policy (June 2024)

- Extending leasehold right to 99 years
- Still under research and study phase

Popular locations



1. Bangkok (BOI and IEAT privileges covered)

2. Chonburi Province (~100 km from Bangkok, BOI and IEAT privileges covered)

3. Phuket Province (~800 km from Bangkok, BOI and IEAT privileges not covered)

4. Chiang Mai Province (~700 km from Bangkok, BOI and IEAT privileges not covered)

5. Samut Prakan Province (~40 km from Bangkok, BOI and IEAT privileges covered)

6. Prachuap Khiri Khan Province (~200 km from Bangkok, BOI and IEAT privileges not covered)

Current condominium unit prices

| Location | Zone | Average Price (THB/Sq.m.) |
|-----------------------------|--|--|
| Chonburi Province | Pattaya, Sri Racha, Bangsaen, U-Tapao | 60,000 – 150,000 (1,800 – 4,500 USD) |
| Bangkok Metropolitan | CBD: Silom, Phaya Thai, Ekkamai, North Sukhumvit | 200,000 – 350,000 (6,000 – 10,000 USD) |
| Phuket Province | Kathu, Talang, Mueang Phuket | 90,000 – 200,000 (2,500 – 6,000 USD) |
| Chiang Mai Province | Mueang, Hang Dong, San Sai | 80,000 – 150,000 (1,200 – 4,500 USD) |
| Samut Prakan Province | Mueang, Kingkaew, Samrong, Mueang Mai | 40,000 – 150,000 (1,200 – 4,500 USD) |
| Prachuap Kiri Khan Province | Pran Buri, Huahin, Sam Roi Yot | 50,000 – 200,000 (1,400 – 6,000 USD) |

Source : CBRE (Thailand) 2025, Knight Frank (Thailand) 2025

Current land prices

| Location | Zone | Average Price (THB/Sq.m.) |
|-----------------------------|--|--------------------------------------|
| Chonburi Province | Pattaya, Sri Racha, Bangsaen, U-Tapao | 12,000 – 100,000 (350 – 3,000 USD) |
| Bangkok Metropolitan | CBD: Silom, Phaya Thai, Ekkamai, North Sukhumvit | 65,000 – 300,000 (1,900 – 9,000 USD) |
| Phuket Province | Kathu, Talang, Mueang Phuket | 15,000 – 100,000 (450 – 3,000 USD) |
| Chiang Mai Province | Mueang, Hang Dong, San Sai | 12,000 – 100,000 (350 – 3,000 USD) |
| Samut Prakan Province | Mueang, Kingkaew, Samrong, Mueang Mai | 10,000 – 80,000 (300 – 2,500 USD) |
| Prachuap Kiri Khan Province | Pran Buri, Huahin, Sam Roi Yot | 10,000 – 100,000 (300 – 3,000 USD) |

Source : CBRE (Thailand) 2025, Knight Frank (Thailand) 2025

Fees and taxes

TRANSFER FEE

2%

of the appraised value of
Treasure Department

SPECIFIC BUSINESS TAX

3,3%

of appraised or actual
price (whichever is higher),
if owned <5 years
(If owned >5 years, SBT
exempted)

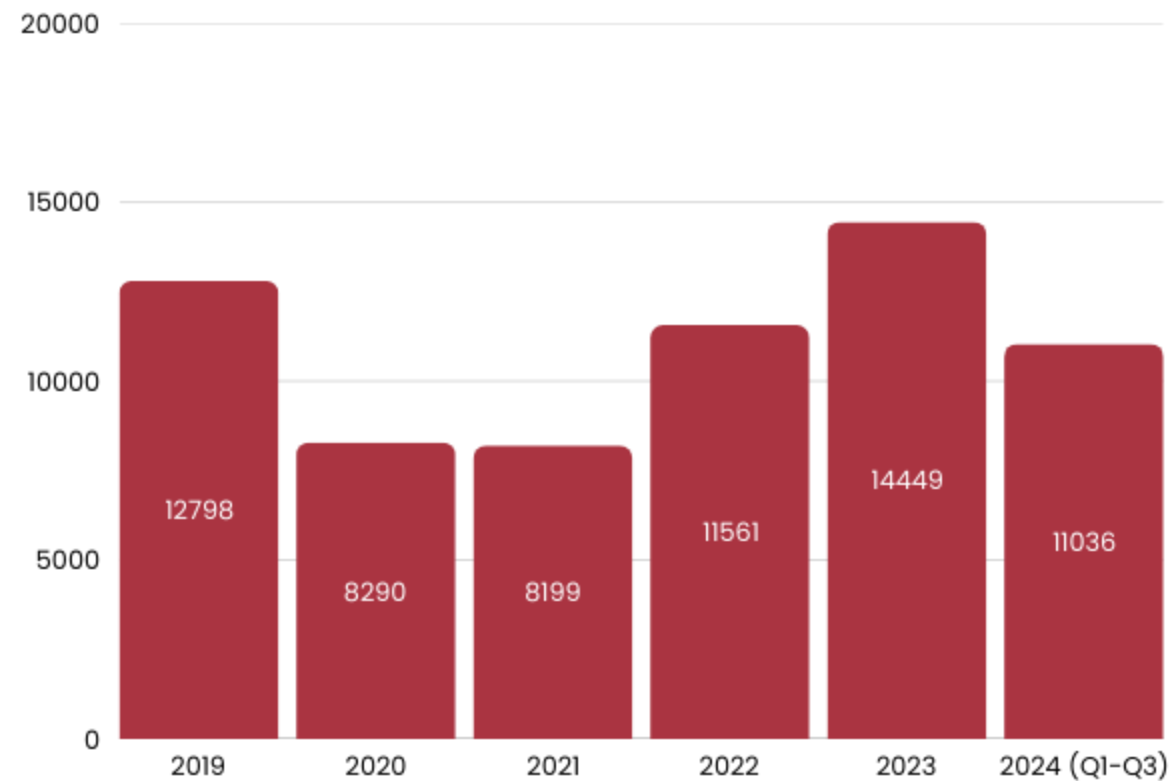
STAMP DUTY

0,5%

of appraised or actual
price (whichever is higher).
If SBT is applied, stamp
duty is exempted

Market analysis

Foreign Ownership of Condominium Units in Thailand



Post-COVID-19 (2020): Dropped to ~8,000 units

Current 2024-Q3 2024: Recovered to ~15,000 units

Source : Department of Land, March 2025

Repatriating funds after selling real estate

Returning funds after selling condominium unit or house/building:

- **Key Process:**

- Proof of Original Investment: Foreign Exchange Transaction Form (FET) is required
- Without FET, repatriation may be limited or complicated

- **Key Documentation Requirements:**

- Original sale agreement with the developer/landlord
- Proof of ownership (title deed and land office form sale agreement)
- Tax payment receipts issued by the land office
- Bank statements showing original transferred fund

- **Repatriation Rules:**

- Repatriate in Thai Baht or original foreign currency amount
- Profits repatriated after taxes



Repatriating funds after selling real estate

Returning funds after selling condominium unit or house/building

- **Tax Considerations:**

- Withholding Tax: 1% for juristic person
- Specific Business Tax: 3.3% of sale/assessed value (whichever is higher) for juristic person
- Personal Income Tax: 0–35% on gains

- **Exchange Rate Risk:**

- Currency fluctuations between purchase and sale

- **Commercial Bank / Financial Institution Procedures:**

- May require additional documentation
- Process may take several days



Key considerations for foreign real estate investors



Due Diligence

Thoroughly investigating the real estate, developer, and any associated issues before purchasing



Tax Implications

Understanding the tax obligations associated with the real estate



Exit Strategy

Considering potential challenges in selling the real estate in the future



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I WSPÓLNICY

