



15 POINT PHUKET PROPERTY DUE DILIGENCE CHECKLIST:

Safeguard your tropical investment in 2024

Are you eyeing that dream property in Phuket but worried about potential pitfalls? Don't let your tropical paradise turn into a nightmare. Our comprehensive 15-point Phuket property due diligence checklist will arm you with the knowledge to make a sound investment in Thailand's most sought-after real estate market

Investing in Phuket real estate can be incredibly rewarding, but it's not without risks. The Thai property market has its own unique set of rules and potential traps that can catch unwary investors off guard. That's why thorough due diligence is crucial before signing on the dotted line.



In this guide, we'll walk you through a meticulously crafted 15-point checklist designed to protect your investment and ensure you're making an informed decision. From verifying land titles to understanding zoning laws, we've got you covered.

1

Start by verifying the property's title deed. Aim for a Chanote title, the most secure form of land ownership in Thailand, as other documents offer less security.

2

Ensure the property is free from liens, mortgages, or legal disputes. In Thailand, properties often have hidden debts or claims. A clear title is crucial for a secure investment.

3

Verify the seller's legal right to sell and ensure no transfer restrictions. Leasehold or company-owned properties may need careful examination.

4

Ensure the property's current and intended use complies with local zoning regulations. Zoning laws in Phuket can be complex and changeable, potentially impacting your investment's value.

8

Check the availability and quality of essential services like water, electricity, and internet. In some areas of Phuket, these services may be less reliable or more expensive than expected.

7

Hire a qualified inspector to assess the property's condition, including structural integrity, electrical systems, and plumbing. Phuket's tropical climate can cause mold, corrosion, and pest infestations.

6

For existing structures, ensure all necessary building permits and certificates of occupancy are in order. Unauthorized modifications or additions are common in Thailand.

5

Phuket's tropical climate presents unique environmental challenges. Investigate potential flood risks, erosion, and other natural hazards. Coastal properties may face risks from rising sea levels and storm surges.

9

Investigate the surrounding area and any planned developments that could impact your property's value. Phuket is constantly evolving, and new developments can significantly affect property prices and quality of life.

10

Familiarize yourself with the tax implications of your purchase, including transfer fees, specific business tax, and ongoing property taxes. Thailand's property tax laws can be complex, especially for foreign buyers.

11

If buying a condominium, ensure the foreign ownership quota (49%) is not exceeded. Exceeding this can complicate the transfer process and affect your ownership rights.

12

Have all contracts, including the sale agreement, thoroughly reviewed by a qualified Thai lawyer. Thai legal documents can be complex, and subtle nuances in language can have significant implications.

15

Consider future resale by understanding the market and ownership transfer restrictions. Some properties in Phuket are easier to sell based on location, type, and ownership.

14

For condominiums or managed properties, review the management structure, common area fees, and sinking fund contributions, as these costs can impact your investment's profitability.

13

If buying an off-plan property, research the developer's track record, financial stability, and reputation. Some developers in Thailand have failed to complete projects or meet their promises.