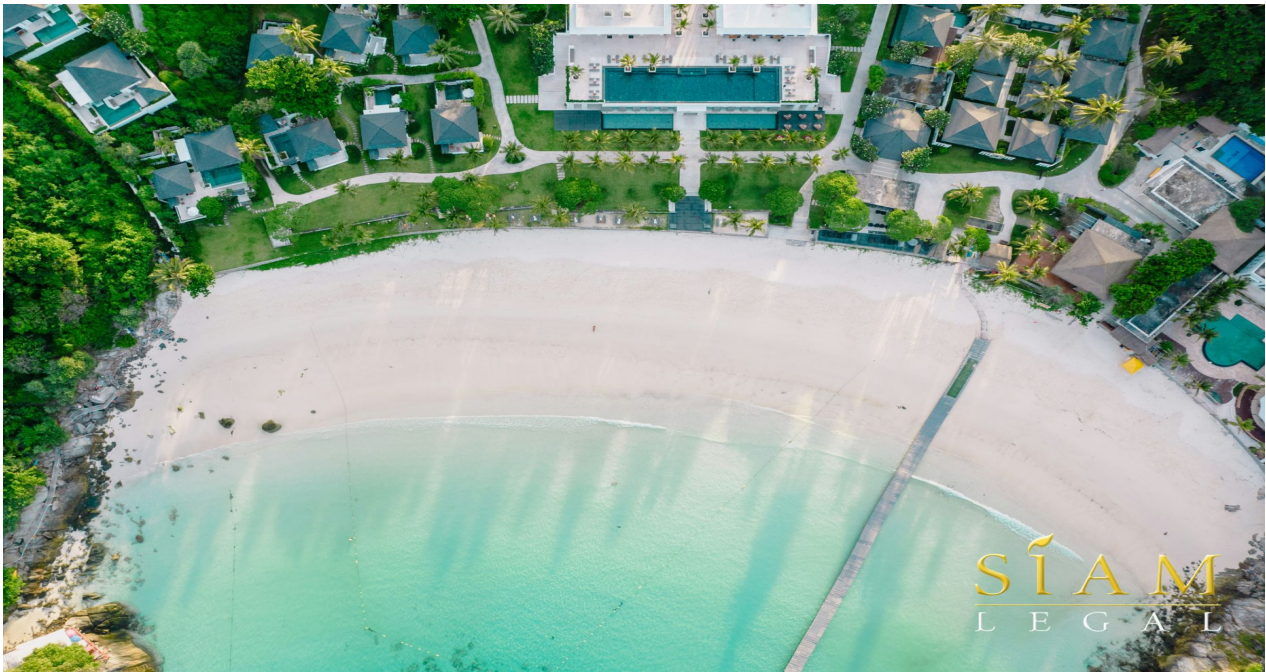




Siam Legal Phuket Outlines Common Property Scams and Pitfalls Amid Rising Demand

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Siam Legal Phuket, a full-service law firm providing legal and regulatory advisory services to both foreign and Thai clients, is noting that property prices in Phuket have continued climbing toward levels once seen only in Bangkok, driven by strong demand for villas and condominiums alongside a pullback in new supply. New condominium launches in Phuket fell 51.7 percent in 2025 compared with the previous year, and new villa launches fell 48.2 percent over the same period, a slowdown that has tightened available inventory even as buyer interest remains strong. The firm says the combination of rising prices and constrained supply makes legal due diligence more important than ever for foreign buyers entering the market.

Among the most common issues is confusion over title deed types. Chanote title remains the only land document that provides full, secure ownership in Thailand, while lower-grade deeds can carry restrictions on construction, unclear boundaries, or land improperly issued over protected areas. Siam Legal Phuket recommends that buyers verify any title deed directly at the land office rather than relying on a copy provided by the seller.

A related risk involves registered encumbrances such as mortgages, liens, and legal disputes tied to a piece of land, which remain attached to the property regardless of who sells it. Without a thorough title search at the land department, a buyer can end up responsible for obligations that originated with a previous owner. Environmental and zoning violations present a further concern, since strict rules govern building height, distance from the beach, and construction style in coastal and protected areas, and a structure built in violation of those rules can face a demolition order even after a sale has closed.

Physical access to a property is another point often overlooked. If the road leading to a property is not a registered right of way, a neighboring landowner can legally block access, leaving a buyer with a property that cannot be reached. Encroachment onto neighboring land is a related issue that a proper survey and access check can identify before a purchase is finalized.

Fake listings represent a separate category of risk, according to the firm. Scammers sometimes advertise homes that do not exist, pricing them well below comparable listings to attract quick interest before requesting a deposit and disappearing once payment is made. Siam Legal Phuket advises buyers never to send a deposit to a personal bank account and to verify both the property and the agent before any money changes hands.

Even a legitimate listing can carry risk once it reaches the contract stage. Some sale agreements are drafted to favor the seller, shifting tax obligations onto the buyer, setting unfair cancellation terms, or making a deposit non-refundable under conditions buried in fine print, and a contract lacking clear exit or refund provisions can leave a buyer with little protection if a seller or developer becomes insolvent. Off-plan projects carry a similar exposure, as some developers collect deposits on developments that never receive permits, funding, or completion, making it important to confirm that any required environmental impact assessment has been approved before payment is made.

Foreign ownership structures represent one of the more serious risks unique to overseas buyers. Some agents suggest using a Thai nominee to hold land on a foreign buyer's behalf, an arrangement that is illegal and that can allow the nominee to sell or mortgage the land without the buyer's knowledge, exposing all parties to potential seizure of the property and criminal charges. Legal alternatives include a registered long-term lease, a properly structured Thai limited company, or freehold condominium ownership under the country's foreign ownership quota. Leasehold arrangements carry their own risks as well, since a lease without a renewal guarantee or one that is not registered at the land office may not be enforceable against a future buyer of the land.

Omar O Manee, Attorney at Law at Siam Legal Phuket, said the volume of these cases underscores the value of legal review before a purchase is signed. "Buyers who complete safe purchases are almost always

the ones who engage a property lawyer before they sign anything, not after something has gone wrong," said Manee. "A title search, a contract review in both Thai and English, and a clear breakdown of transfer costs can prevent most of the disputes we see."

The firm noted that final purchase costs are also frequently underestimated, since transfer fees, stamp duty, withholding tax, and specific business tax are calculated at the land office on the day of transfer and can add substantially to the total price of a transaction.

The firm has also released a Siam Legal property buyer's guide covering these pitfalls in greater detail, offering additional guidance for foreign buyers preparing to navigate the local market.

Siam Legal Phuket is a full-service law firm providing legal and regulatory advisory services to both foreign and Thai clients, with a focus on property law, corporate structuring, immigration, family law, and litigation.

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Siam Legal Phuket

Siam Legal Phuket provides litigation, immigration, family law, contract drafting, real estate conveyancing, and corporate services. Our lawyers assist foreign clients with effective, cost-efficient legal strategies in Southern Thailand.

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