

Siam Legal Phuket Issues Advisory as Foreign Property Demand Holds Firm Despite Crackdown

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Siam Legal Phuket is advising foreign nationals with property interests in Phuket to seek legal guidance on ownership structures, as new data confirms that foreign demand for resort and luxury properties remains resilient despite Thailand's intensified enforcement campaign against nominee ownership arrangements.

Property technology group Juwai IQI confirmed in a June 2026 analysis that the enforcement measures have not significantly altered market behaviour or dampened foreign demand in Phuket's resort property segment. According to Juwai IQI estimates, approximately three in five villa transactions in Phuket involve a foreign buyer or lessee, representing between 2,400 and 3,000 villas across the island ultimately held by foreign nationals. Kashif Ansari, co-founder and group chief executive of Juwai IQI, noted that the crackdown is focused on illegal nominee arrangements rather than law-abiding foreign residents, adding that anyone who has followed the law will have no problem. Demand remains particularly strong for pool villas priced between 15 and 30 million baht near international schools, while investors and second-home buyers typically seek properties in the 30 to 70 million baht range in areas such as Bang Tao, Layan, Laguna, Kamala, and Rawai.

Ms. Nasupha Suwansri, vice-president of IQI Phuket, said Phuket's appeal now extends well beyond tourism, attracting long-term residents who are drawn by international schools, quality healthcare, wellness facilities, marinas, golf courses, and direct international air connections, noting that the island has become a truly international place to live rather than simply a holiday destination.

The crackdown forms part of a broader national enforcement effort using AI technology to analyze company registration and land transaction records for irregular ownership patterns, including multiple companies sharing the same address or Thai shareholders whose financial profile does not match their declared shareholding.

The enforcement campaign has nonetheless prompted a meaningful shift in buyer behaviour. Agents report more buyer hesitancy among those still evaluating options, with some making a temporary shift toward condominiums where the ownership framework is more straightforward. The Department of Business Development has identified more than 7,000 businesses suspected of using illegal nominee structures across Thailand, primarily in the real estate, tourism, and hospitality sectors. Seven regulatory instruments came into force between January and April 2026, including new mandatory in-person verification requirements and investment confirmation letter obligations that took effect on April 1, 2026. As of mid-2026, 852 companies have been prosecuted under this framework, with authorities identifying approximately THB 15.1 billion in economic damages.

"What we are seeing in Phuket is a market that is maturing rather than retreating," said Omar O Manee, Attorney at Law at Siam Legal Phuket. "Serious buyers are asking better questions, working more carefully with lawyers and agents, and taking the time to understand their options before committing. That is exactly the right approach in the current environment." The Siam Legal Phuket property team provides legal assessments of ownership structures and guides buyers through compliant acquisition pathways.

For foreign buyers, the two most clearly compliant routes remain freehold condominium ownership within the 49% foreign quota, provided purchase funds are remitted from abroad and documented with a Foreign Exchange Transaction Form, and registered 30-year leaseholds for landed property. Juwai IQI cautioned that lease arrangements purporting to offer automatic 90-year extensions are not legally enforceable under Thai law, a position consistent with the Thai Supreme Court's reaffirmation in March 2025 that renewal clauses in multi-term leases are contractual promises rather than guaranteed statutory rights. The government is also considering reforms to increase the foreign condominium ownership quota from 49% to 75% and extend leasehold terms from 30 to 99 years, with analysts estimating some version of these changes could arrive within 12 to 24 months.

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

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