

THEMATIC TITLE	LEGAL PROBLEMS RELATING TO THE SALE WITH RIGHT OF REDEMPTION AGREEMENT ON AGRICULTURAL OR RESIDENTIAL LAND
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ABSTRACT

The objectives of this thematic paper is to study the principles, concepts, theories and laws regarding entering into a contract for sale with the right of redemption of agricultural or residential land. In order to analyze the related problems and offer appropriate solutions to the problems encountered, this study focuses on the legal issues regarding entering into a contract for sale with the right of redemption of agricultural or residential land in Thailand through a comparative analysis of Thai laws and foreign countries, such as the laws of the French Republic, the Federal Republic of Germany, Japan, and the United Kingdom. This is to ensure that the legal provisions of Thai laws on contract for sale with the right of redemption of agricultural or residential land are adequate and effective.

The findings indicate that there are currently a number of gaps in the law that make it possible for sellers to be exploited when they enter into a contract for sale with the right of redemption. This is despite the fact that Thailand has announced the enforcement of the Public Protection Act on Entering into a Contract for Sale with the Right of Redemption of Agricultural or Residential Land B.E. 2562 (2019) the Act with the goal of protecting sellers of agricultural and residential land, who have less bargaining power than buyers due to differences in economic status, by regulating the contract for sale with the right of redemption of agricultural or residential land and making it easier for individuals to put up a redeemable property at the provincial land office or the land office accepting registration of contract for sale with the right of redemption.

The first problem found is the seller's request for extension of redemption period. The extra money that the seller will give in exchange for extending the redemption period, even though it isn't a long one, may encourage the buyer to agree to extend the redemption period as requested by the seller. This suggests that the buyer is in a stronger negotiating position than the seller. The second problem is the seller's obligation to offer redeemable property with a value equal to the price of redemption specified in the contract for sale with the right of redemption. The Act does, however, provide that the buyer shall still be entitled to the full amount of the price of redemption specified in the contract if the seller redeems the redeemable property prior to the contract's expiration date. This provision unfairly pushes burdens on the seller. Furthermore, the Act does not specify the legal consequence for both the price of redemption and the redeemable property in the event that the buyer fails to receive the price of redemption within the redemption period. The third problem is that there is no clear provision addressing legal consequences in the event that the buyer has made any encumbrance over the redeemable property, which may have an impact on the right of the seller and third parties. Furthermore, even though the law allows for the price of redemption to be set higher than the sale price, the interest rate cannot be more than fifteen percent annually in the event that the price of redemption specified in the contract for sale with the right of redemption is equal to the agreed-upon sale price. Nevertheless, it is common for the parties to agree to pay additional compensation on top of the price of redemption specified in the contract for the sale of the right of redemption. The seller bears additional burdens because the additional compensation plus the sales price exceeds the legal rate. This is another gap in the law that makes it impossible to address and resolve the existing issues with the contract for sale with the right of redemption of agricultural or residential land. However, the laws of the aforementioned countries have clear provisions for resolving these issues.

Therefore, the author is of the opinion that the relevant legal provisions should be amended by specifying the price of redemption during the extended redemption period in proportion to an increase in redemption period and the price of redeemable property should be reduced in proportion to a decrease in redemption period. In addition, the price of redemption should become the state's revenue upon the expiration of the period prescribed by law. The buyer should be prohibited from making any encumbrance over the redeemable property that may affect the seller's rights. There should be a clear provision on the legal consequences of leasing redeemable property that has been

registered with the officer. Furthermore, any other money, property, or compensation that the seller gives the buyer in addition to what is stated in the contract for sale with the right of redemption shall be included in the paid-up price of redemption in order to ensure clear and effective enforcement of the law.