



# **New Owners Handbook**





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### Total Purchase Price

The total purchase price as mentioned in the contract exists of three elements;

The land, typically calculated at 5,000 Baht per square meter of land.

The Villa of your choice as described on our websites or other publications. A fee for legal matters and connection costs, transfers, registrations legal assistance etc. (See also legal Costs, page 10).

Residents/owners shall comply with any and all terms and conditions provided herein this Document in the event that the laws, at the time of performing the Agreement by the Developer prohibit or do not allow such performance, then the Developer shall not be deemed to be in breach of the Agreement.

### Waiver

The Developer shall not be liable to provide any compensation for any personal injury on the Project, damage or loss of the residents/owners and its members, guests and invitees resulting from theft, wrongful act or criminal acts of whatever nature and by whatever cause that may occur on and/or in the Premise or in Development Name, except wrongdoing or gross negligence of the Developer or its employees.

### The purchase of an Avalon Villa©

By buying a Villa on Avalon Villages a client purchases the full land rights on a described piece of land.

In case the land title deed/utilization certificate has not yet been divided, if after division it appears that there is an increase or decrease in the land area from the quantity specified in the contract, the parties agree to charge a price of the increase or decrease at such unit of 5,000 baht per square meter.

A client opts for lease hold or freehold as he wishes. Initially a 30 year lease will be registered on the land anyway to be able to legally apply for a building license in the name of Client. This ensures the full ownership of the house for the Client; makes building 100% legal and a house number, i.e. legal address can be obtained.

The legal address makes it possible to apply for telephone, satellite dishes, electricity and

is also needed if you buy something like a car, motorcycle or any other thing that requires a legal address in the Kingdom.

After registering the 30 year lease it is up to the client if he wants to transfer the freehold of the plot in the name of a Thai national or in the name of a Thai Legal entity. A Thai legal entity is a Company or other entity in which Thais have the majority of shares (over 50%). Please do understand that Thai law at this moment the Thai Law does not allow non Thais to own land. Legal entities with foreigners as majority shareholders are also regarded as foreigners. It is possible though to be the director of a Thai Company and it is also possible for foreigners to own a house. If the Client does not want to transfer the freehold of the plot and thereby wants to avoid director's responsibility and costs for setting up and maintaining a company he does not have to take any further action for the first 30 years. Even after 30 years he can again register a lease for another 30 years without any costs except a registration fee at the land office.

If a lease contract is not explicitly annulled the lease will automatically be ongoing for a period of totally 90 years. Registering further leases is voluntary.

At any given time the Plot can be cut into a separate land title deed and transferred in the name of a Thai national or a Thai Legal Entity like a company. In that case it is not necessary to annul the lease registration.

So there is total flexibility. Even after choosing for leasehold you can still apply for freehold at any given time as you have the full rights of the Plot.

The time it takes to deliver a freehold can vary from one week up to 2, 5 years, mainly depending on which Avalon Village you make your purchase. Due to the rising popularity of Thailand, the authorities are inundated with work, which leads to long waiting periods for giving out licenses for projects and slow processing of splitting land titles.

Avalon has the obligation to do everything in its power to provide funds, documents and legal advice in order to process requests for registering a freehold in the name of the client or any legal entity the client appoints. As this process and its speed is dependent on Thai authorities Avalon cannot guarantee this process or its speeds. All transfer costs, taxes, registration fees and also the costs of legal advice from lawyers and notaries are fixed at 100,000 Baht per plot. In this amount is also included the costs of obtaining other licenses. (See Page 10 Legal Costs))

### The purchase of an Avalon Apartment©

A block of apartments utilities and general areas ( partly) is owned by a company. Buyers of an apartment will receive shares in this company pro rata.

There are two types of shares;

- A Priority shares (51%) with one vote per share.
- B Normal shares (49%) with ten votes per share

**Example;** The company holding apartment Block A has 1 million shares of 100 baht each.

If you purchase the rights of an apartment, valued 4 million Baht, you receive 4000 shares and this makes you a 4% stake holder in the company. Additionally you will receive the exclusive and eternal rights on the apartment, as long as you are the owner of the shares.

## Building

You have decided on a Villa that you want to have built. You can obtain a full set of standard drawings for your house from Avalon or through your sales agent. From the moment of signing a reservation contract there is a period of six weeks to make all necessary changes to your Villa. These changes are free as long as the changes are about relocating walls, windows, doors, rooms etc. If changes mean extensions the builder will quote you a price, unless the changes can be found in the price list for changes/upgrades. On acceptance of the price and the described changes this price and order are definite and cannot be increased.

Changes have to be processed in the drawings and in the agreement with the builder. We will consult an engineer if the changes are structural and changes will be issued to the authorities after approval by the client.

After six weeks have passed we will issue the definite plans to the builder and the municipality and plans cannot be changed anymore. Please make the changes in one time, as we have to charge a fee of 13,000 for new changes afterwards, no matter how small the change is.

If by exception changes are made after 6 weeks the builder cannot guarantee the timeframe or any finishing day. It relieves him automatically from a possible fine per day that he is later than the original finishing date.

The 9 month construction period starts as of the day the drawings are received and approved by the builder.

## Standard materials

It is possible to change tiles, lamps, sinks, showers etc. No refund will be paid for articles that the client does not want to use. Even in the unlikely case of canceling a full bath room for instance, these materials cannot be refunded.

We do ask for understanding that Avalon offers a high quality product for an incredible low price. This price is based on standardization and volume. We have capable in house staff that can make changes in sketches. These sketches are produced in only a few days and are not full architectural drawings. Neither time nor money is available for full architectural

drawings. You therefore also cannot expect a first class architectural team that is capable of making very complicated and in Thailand often unknown building systems. This could in some cases lead to a situation whereby we cannot implement complicated systems. Some examples are Sun boilers, central boiler or other hot water systems and central air conditioning systems.

Also complicated tile patterns can cause a problem in implementation. Therefore you have to allow reasonable margins and differences in non standard items.

In cases where we are not sure we have the capability to build complicated systems we have to refuse the order to do so and the only possible solution then is to find an outside contractor that can do the job. Of course we will try to assist you in this.

Items that are quite common in Western countries are not necessarily easy to source and install in Thailand.

Customers must allow for a fluctuation of up to 5 % between drawings and final building measurements.

In Thailand you will live outside more than inside your house. In general the idea of building luxurious kitchens, cozy living rooms and full featured bath rooms does not always work out the way you thought it would. It is wise to restrain while fitting out your house and first live in it for a while you can experience what you really like to have. Many customers have a totally different idea about their house once they have lived in it for a while.

This also implicates that requested changes have to be written in clear and simple language and preferably drawn into a sketch and sent to [avalonvillages@gmail.com](mailto:avalonvillages@gmail.com). Building deadlines given for standard buildings might be extended if changes are requested. In particular, orders for laying marble, building kitchens and air conditionings will extend the building time.

## Delivery of the building

A building is delivered in three stages

- 1 The house construction is finished. Gardens, kitchens and air-conditioning units can be implemented.
- 2 All outside contractors are finished
- 3 The house is connected to all utilities and is ready to be lived in.

## Guarantee

One year of guarantee on construction. The builder has the right (not the obligation) to halt the construction if payments due are late or not received in which case he is not in a situation to buy and pay for materials.

Halting the construction is a dramatic event for your builder. Materials can deteriorate if not protected from sunlight and/or moisture. Also the crew that is building your house has

to be sent to another location or even be sent home if construction stops.

On restart of a halted construction the builder has to find another crew to finish the work of the first crew. This leads to loss of quality and higher costs.

You should therefore at all times be punctual in payments and if you foresee a problem with paying please contact Avalon in advance as soon as possible to find a solution if possible.

If due to non payment a building lies idle for more than two months the contract between

Avalon and the builder is automatically cancelled and the builder can take possession of the house.

Until the moment of delivery of the house the house is the responsibility of the builder. Legally he is also the owner of bricks, mortar and other building materials until he has received the full payment of the house and the house is officially handed over to you.

It is possible to visit your building under construction for inspection after making an appointment with a staff member of Avalon.

Interference with the building process is not allowed. Any personal work in the house, instructions or complaining to the workers is not allowed and bears the risks of problems and conflicts.

Complaints, remarks and wishes should be directed to or delivered through your Avalon Consultant.

## Rules and regulations on Avalon Villages

In order to keep high standards on the development there is a set of rules and regulations on Avalon Villages. These rules are meant to protect the project and its residents and guarantee the safety and privacy of the residents.

Initially these Rules are composed by the Developer, but the residents have the right to alter them if a majority wishes to do so.

It is a mistake to think that current rules will be softened after residents take over, because we see everywhere, that rules are made stricter after the decisions are made by the residents.

By law we have to give the residents the right to make decisions about the project, so Avalon Developments are only playing a part on the development as long as the majority of owners want this involvement.

The rules in general aim to prevent disturbance of residents and keeping the quality and the value of the project as high as possible.

No changes are allowed to the exterior of the buildings without explicit and written allowance of the developer.

In more detail it is therefore forbidden to alter the pool, the roof, the colors of the building, changes the type of hedges and fences etc.

This rule is logical as the value of your house could seriously decrease if your neighbor could decide to paint his house purple or put a rocket in his garden.

Lawns and gardens have to be well kept, watered and cut to prevent dead trees, dead grass or trees hanging over someone else's garden

Grass has to be kept lower than 10 cm and the height of trees should not exceed 3 meters.

If a resident does not keep his house and garden in pristine condition, the developer has the right to enter the plot and have the maintenance done for costs of the owner.

It is not permitted to keep animals that cause disturbance or danger. Animals roaming the project will be immediately caught and removed from the project.

It is not permitted to use the house for any other purpose than using it as a residence for private living. Using the house for any commercial goal is forbidden.

It is possible to rent out the villa though; Renters should be registered and bound to the same rules and regulations as the owners of the houses. Renters that cause problems on the project can be denied access.

Noise levels should be kept at an acceptable level in order not to disturb others. If you have a party please invite your neighbors to avoid complaints about noise levels.

Visitors can be monitored at the gate of the project and could be required to hand over some kind of identification for the duration of their presence.

TV antennas, satellite dishes and other items are in principal not allowed and are seen as alterations of the exterior of the house and the garden. Illegally placed structures can be removed by the project management and the resident will have to pay for the removal and disposing of these structures.

Pools are kept by the service company. It is not permitted to empty the pool, fill the pool or preventing the fresh pool water to enter.

Hedges will be kept on a height of maximum 100 cm above ground level and have to be decently trimmed. If a hedge stands on the border of two plots, both owners are responsible for their side of this hedge.

In the plots will be several pipes for utilities. These pipes are property of the service company and are not to be moved, changed or damaged. The location of these pipes will be pointed out by the builder on the day of the delivery of the house.

Any damage to these pipes, or damage caused by breaking of these pipes are the responsibility of the owner. The utility companies, service companies and Avalon staff have the right to enter the plot in order to inspect, minimize or prevent damage to the systems.

## Payment Schedules

### Villas

Payments will be made in five equal steps of 20% of the total purchase price.

- 20% - Within 20 days of signing a reservation contract or a holding deposit
- 20% - Day 40. The lease can now be registered and the building license will be applied for.
- 20% - 70 days after signing the contract the building starts.
- 20% - 150 days or 5 months after the contract signed. The roof is now on the building.
- 20% - 330 days. The house is finished.

### Apartments

- 20% - Within 20 days of signing a reservation contract or a holding deposit
- 20% when the building of the apartment block starts.
- 20% when the building reaches the 4th floor
- 20% when the top floor is built

- 20% on delivery of the finished apartment.

By paying the total sum at once within three weeks of signing the contract you will receive a 5% discount on the total purchase price as you save us administration and interest.

Payments can be made in GBP or EUR to the following account

## GBP & EURO

Account name: AXAROC N.V.  
Bank: Dexia Bank  
Address: Dexia Bank Hoevenen Molen  
Molenstraat 4  
2940 Hoevenen  
Belgium  
Account number: 779-5934141-06  
IBAN: BE85-7795-9341-4106  
BIC: GKCCBEBB

\* A THB account can be provided on request however is subject to Thai Government restrictions on transfer values.

On signing the contract you make a choice in which currency you will pay. Once that choice is made, all payments have to be made in this currency to the same account. After receiving your payment we will send you an email with the note that we have received your payment. The email will only confirm the date of receiving payment and the currency in order to protect your privacy. Transfer charges are paid by the client.

Payments have to be received on or before the date the payment is due.

Payments received later than the agreed date have to be increased with 5% for payments arriving up to 30 days late and 15% for payments received 31 or more days late.

If a payment is late more than 30 days, all future payments are immediately due. The builder has the right to halt the construction if due to late payment salaries or materials cannot be paid. If a construction is halted the client is due to pay damages.

## Services

All Services in the project are done by Syncorp Company Limited 84/91 Moo 1, Nongbon Sub District, Praves district, Bangkok, Thailand. Syncorp will take care of the general access and maintenance of the public facilities. This includes the swimming pool treatment plant and water transport infrastructure. Pools will be checked and / or maintained at least 8 times per month or more frequently with heavy use or weather conditions.

## Service Costs

Avalon Villages - 6 Baht per square meter of land per month

Golf Apartments (including common area) - 2,200 Baht per month.

Golf Villas - 3,150 per month

At a later stage the majority of residents will take over all decisions for the public facilities and may or may not decide to form a resident's legal entity. Until this day the public facility services will be ruled by this contract.

Client will have to make sure that buyers of his property sign a contract with Syncorp or with the future legal entity. Failing to do so can lead to the obligation to pay for damages and a fine not exceeding 1,000 Baht per day.

Payment of the fees mentioned in point C2 will take place yearly in December, before the start of the New Year. Payments will be due one year in advance. If the first year is a part of a year, the first payment will be until the end of the following year.

## Legal Costs

In the legal costs are included;

- 1 Application for the building permit
- 2 Registration costs for a 30 year lease
- 3 Transfer costs freehold to a company or Thai national
- 4 Transfer taxes
- 5 Legal assistance lawyers and notaries
- 6 Connecting to the public electricity net
- 7 Connecting water pipes
- 8 Electricity meter, not exceeding 5 amp
- 9 Water meter

## Consultants

On completion of your drawings, customers will be appointed an Avalon Consultant who will monitor building progress and keep you updated.

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In particular, all images, designs, content and other information pertaining to a property may change at any time without notice. You must make your own enquiries on the accuracy or otherwise of all content on this Site. Project lay outs can be changed and the size

of plots is only an indication and can be changed by the developer or by the authorities who have the ultimate responsibility to confirm the definite sizes. In the case a plot turns out to be larger or smaller than indicated the extra or lesser amount of square meters will be charged or deducted.

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