

ESCROW/THE SMALL INDUSTRY CREDIT GUARANTEE CORPORATION

ARNANT MAIPHUM : CONCEPT ON CENTRAL ORGANIZATION FOR REAL ESTATE TRANSACTION : A CASE STUDY OF BANGKOK METROPOLITAN AND NORTHERN SUB URBAN AREA. THESIS ADVISOR : ASSO. PROF. SAKCHAI KIRINPANU, 286 PP. ISBN 974-584-315-6

Housing business is one of the most significant sector in Real Estate market. Mostly, when housing developers launch their projects, they will arrange the installment plan to facilitate customer financial needs. The buyers, then, have to pay some portion of money as a down payment for a contracting period of time to developers without complete legal right over those title deed. At the same time, the developers would generate the received down payment to their project cash inflow as one source of fund. Also, financial institution is substantially included in this transaction by providing a term loan as another source of fund to developers. This triangle connection raises up the problems among them as follow ; the buyer would not ensure whether to make further down payment, the developer is not confided in the flow of down payment income, and the financial institution would question on project's credit performance due to down payment funding.

The objectives of this research is to study housing project cost structure based on source and used of fund, credit lending, Escrow Method in foreign country, and The Small Industry Credit Guarantee Corporation. These factors would be conceivably merged to create the system of intermediary organization in Real Estate transaction, and lend support to the development of residential business in Thailand. The research methodology is descriptive, using 3 stages simple random sampling. The sampling are provided into 3 groups, 350 buyers, 40 developers, 27 financial institutions.

The study found that all 3 groups agree on the creation of Central Organization. It not only enhance the mutual benefit among them, but also boost potential growth in Real Estate Business. Meanwhile, the government sector should provide the basic support and take part in a settlement of the organization. The further research could study on legal documentary concerning the implementation of the Central Organization system.