

ABSTRACT

Thesis Title : Real Estate Brokers Licensing Law

Student's Name : Mr. Somsak Torugsa

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Advisory Committee :

1. Assoc. Prof. Nattapong Posakabutra Chairperson

2. Mr. Wasan Kitbumrung

Real estate brokers play crucial role in real property transactions. According to analytical studies of real estate brokerage in Thailand, however, it is quite obvious that most real estate brokers are not well qualified for the works they perform. Most real estate brokers do not possess knowledge concerning brokerage law, land law, and the law regarding sale of real property. Consequently, they are unable to give sound advice to land owners in relevant matters, nor are they able to set land prices as near as possible to true market value. In addition, the public tends to believe in a notorious image of real estate brokers who are involved in fraud, misrepresentation and other unethical practices in real estate transactions. Usually, real estate brokers tend to be concerned with making money for themselves and not the principals of the transaction. The primary cause of these problems is the absence of real estate brokers licensing law in Thailand. Thai brokerage laws simply concentrate on defining duties and obligations of the involved parties in order

to enforce the contract in case of a subsequent dispute. The present laws do not speak to the need of upgrading the quality of real estate brokers or ensuring their integrity.

From studies of the real estate brokerage business in foreign countries such as the USA., Australia and England, it was revealed that each of these countries enforces real estate licensing law which requires a person, acting as a real estate broker for compensation or the promise of compensation, to hold a valid real estate license. Although licensing laws serve to prevent a complete freedom of entry into the field, they do protect the public, who have a vested interest in seeing that brokers possess the qualifications of honesty, truthfulness, good reputation and competence. Experience to date clearly indicates that in countries enforcing licensing laws, an upgrade in technical competency and increased public confidence in brokers has been achieved. Moreover, licensing laws are an important and powerful tool in reducing fraudulent real estate practices, because the state has the authority to suspend or revoke a person's license to operate.

Accordingly, it is believed, that if the United States model were to be applied in Thailand, the quality of our real estate brokers would be greatly upgraded, resulting in good service to the public at large.