

Recent Southeast Asian Court Cases: Indonesia, Malaysia, Thailand

NON-ENGLISH SOURCES READ IN MACHINE TRANSLATION; ALL SUMMARIES ARE THE DEPARTMENT'S OWN ENGLISH

Each item read in another language is marked and linked to its original-language source at the point of use.

Recent Court Decisions • The Valuation Engineer

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Notice to readers. These summaries are the Journal's own descriptions of court decisions and legal instruments, written for valuation professionals. They are not legal advice. Where the understanding of a decision or a provision is critical to a matter, the reader should consult the official text and obtain advice from a lawyer qualified in the jurisdiction concerned. Many of the sources were written in languages other than English and were read in machine translation, which can be in error; each such item is marked, and its original-language source is linked so that it can be checked.



Jurisdictions surveyed in this installment are outlined and shaded.

Scope and Sources

This is the *baseline* installment for Southeast Asia, covering Indonesia, Malaysia and Thailand. As with the Oceania survey in this issue, a baseline installment reaches back further than a single

quarter: it treats developments of continuing practical significance through the third quarter of 2026. Subsequent installments will be quarterly updates.

The contexts mixed in this installment are named at the outset. Most of it concerns compensation for compulsory acquisition — expropriation, the taking of private property by the state, which US practice calls eminent domain or condemnation (Malaysia, Thailand) — and land tenure and title (Indonesia principally, with Malaysian and Thai title items). Shorter entries follow on valuers' liability (Malaysia, Indonesia) and on family and estate property (Thailand). Each country section opens by naming its own context; a statement made under one context should not be assumed to hold under another.

Sources, by jurisdiction, are these. For Indonesia, no judgment text was read: the account rests on Indonesian-language press and practitioner commentary, together with a copy of the ministerial decree cited. For Malaysia, the reported series where a report was reachable, and otherwise English-language press and practitioner reporting, as noted at the point of use. For Thailand, the Royal Gazette text of the 2019 expropriation statute and of the Constitution, the Office of the Council of State's statute register, Thai press, and an unofficial Supreme Court decision database (deka.in.th). Where a decision has been read only in secondary description, that is stated.

Searching was conducted in Indonesian and Thai as well as in English. One date convention needs noting: Thailand dates its law in the Buddhist Era (B.E., *Pho.So.*), from which 543 is subtracted to give the Gregorian year, so that B.E. 2568 is 2025. Thai case numbers carry the Buddhist Era year. Dates in this survey are otherwise given in the Gregorian calendar.

Provenance and machine translation. Where a decision or instrument in this survey was read in a language other than English, it was read in machine translation, and that is disclosed at the point of use by a **Source** note giving the original-language publication and a link to it. Two reasons. The first is candor: a machine translation of a judicial holding is not the holding, and a reader weighing whether to rely on a proposition should know how it reached this page. The second is operational. This journal publishes translated editions, including an Arabic edition and Japanese, Korean and Chinese editions. A translated edition that renders our English back into the language the source was written in would compound two translations rather than reverse one. The retained link lets each edition work from the original, which is the only version that carries authority.

No competing text in the original language. One consequence of the practice above needs stating plainly, because it governs how the translated editions of this issue must be produced.

Everything this department says about a decision read in another language is its *own summary, composed in English*. It is not a translation of the court's words and must never be presented as one. Where a term of art appears in inverted commas, the original term is supplied beside it, in its own script or in transliteration, and the original governs; the English is a gloss, not a rendering of the holding.

The reason for the insistence is a specific hazard. The non-English material in this installment was read in Indonesian and in Thai (Malaysian courts give judgment in Malay or in English; the Malaysian material here was verified from English-language reports, so no translation was involved). If an edition in Indonesian or Thai were produced by translating this English text back into that language, the result would be a second body of text, in the language of the original, describing a judgment or statute in words that are not its own. A reader could not tell which text carried

authority, and the journal would have manufactured the confusion. The same hazard governs the Japanese, Korean and Chinese editions in respect of the East Asian installment in this issue.

Editions in a language surveyed here must therefore treat these passages as *editorial description*, presented as such, and must follow the **Source** link to the original where the court's own language is wanted. What must not happen is a silent round trip that produces a rival version of a holding in the language the holding was written in.

Nothing in this survey should be relied upon from the English description alone. Case citations and statutory references should be verified against the official report or gazette in the original language before any reliance for practice or for further publication.

Expropriation, Eminent Domain, and Condemnation

Including inverse condemnation. Just compensation, larger parcel, severance, project influence, stigma, and reasonably probable future use.

Indonesia — expiring building rights and the interest actually held

Indonesia's land-tenure context must be stated first, because a general freehold frame does not fit it. Under the Basic Agrarian Law, tenure is a scheme of enumerated rights: full ownership (*hak milik*) is reserved to Indonesian citizens, while lesser rights — among them *hak guna bangunan* (HGB, a right to build on and use land one does not own, granted for a term), *hak pakai* (right of use) and *hak pengelolaan* (a right of management, typically held by state entities) — are term or derivative interests, so that the holder of an HGB holds a wasting asset valued on its unexpired term rather than the land itself. Both items below turn on that structure.

Hotel Sultan: expiry of *hak guna bangunan* by operation of law (district court judgment 28 November 2025; executed 18 June 2026). Two building-use titles over the Gelora site — HGB No. 26/Gelora and HGB No. 27/Gelora, reported as expiring on 3 March and 3 April 2023 — were held to have come to an end by operation of law. On 28 November 2025 the Central Jakarta District Court gave judgment in two cases. In No. 208/PDT.G/2025/PN.JKT.PST, PT Indobuildco's suit against the Minister of State Secretariat and others, the court held that the land stands under the State's *hak pengelolaan* (right of management) No. 1/Gelora, held through the State Secretariat, that the titles ended in 2023, and that the company must vacate the whole site; the 2002 extension of the titles is reported as held legally defective because it had been granted without the consent of the *hak pengelolaan* holder. In No. 287/PDT.G/2025/PN.JKT.PST the company was ordered to pay royalties of US\$45,356,473, inclusive of interest and penalties, for its use of some 137,375 square meters of that land from 2007 to 2023. The judgment was declared provisionally enforceable (*uitvoerbaar bij voorraad*), so that execution did not wait for appeal or cassation, and eviction from Block 15 of the Gelora Bung Karno complex was carried out on 18 June 2026, in a dispute of more than two decades.

The matter is not final. In parallel administrative proceedings the Jakarta State Administrative Court (PTUN), by decision No. 221/G/2025/PTUN.JKT of 3 December 2025, annulled the State Secretariat's notices requiring the company to vacate and to pay the royalty bill; on 26 February 2026 the Jakarta State Administrative High Court reversed that decision (No. 13/B/2026/PT.TUN.JKT), and the company's counsel announced that it would seek cassation. The district court judgment was executed as a provisionally enforceable judgment, not as a final one.

Implication for appraisers. An HGB is a term interest, and this is what the end of the term looks like: extinction by operation of law, and reversion of the land together with what stands on it. The royalty award is not a holdover charge: it prices some sixteen years of occupation under an extension reported as held defective for want of the managing right-holder's consent, and it shows that the validity of an extension can matter as much as the length of the unexpired term. A valuation of Indonesian property held under HGB is therefore a wasting-asset valuation, and the unexpired term — together with the soundness of any extension of it — is a primary value driver rather than a title detail to be noted and passed over.

Source — Indonesian, read in machine translation; original retained for the translated editions: Hukumonline, on the two judgments of 28 November 2025 (case numbers, royalty figure, provisional enforceability), <https://www.hukumonline.com/berita/a/pt-indobuildco-diminta-membayar-as45-juta-terkait-pengelolaan-hotel-sultan-lt6929ceaedd4e2/>

Source — Indonesian, read in machine translation; original retained for the translated editions: CNBC Indonesia, 3 December 2025 (HGB expiry dates, the 2002 extension, the area and period of the royalty), <https://www.cnbcindonesia.com/news/20251203123122-4-690661/kronologi-sengketa-hotel-sultan-pengadilan-perintahkan-kosongkan-total>

Source — Indonesian, read in machine translation; original retained for the translated editions: CNBC Indonesia, 2 March 2026 (the administrative decisions of 3 December 2025 and 26 February 2026), and Bisnis Indonesia, 4 March 2026 (the announced cassation), <https://www.cnbcindonesia.com/news/20260302113247-4-715308/pontjo-sutowo-kalah-banding-di-ptun-bagaimana-nasib-hotel-sultan>

Source — Indonesian, read in machine translation; original retained for the translated editions: CNBC Indonesia, 18 June 2026 (the execution), <https://www.cnbcindonesia.com/news/20260618194933-4-743858/kronologi-sengketa-hotel-sultan-dari-proyek-negara-berujung-eksekusi>

Verification note. No judgment text was read; every statement above is taken from the press reports cited, and the reasoning on the 2002 extension in particular is known only as reported.

Nominee arrangements and the interest actually held. Indonesian law treats a nominee arrangement by which a foreign national holds land through a local titleholder as void from inception under Articles 21 and 26(2) of the Basic Agrarian Law, as applied in the Supreme Court's civil case law (e.g. decision No. 3020 K/Pdt/2014). Commentators report no decision upholding a foreigner's claim to beneficial ownership on such an arrangement. Bali has now gone further: Provincial Regulation 4/2026, signed on 24 February 2026, prohibits the facilitation of nominee structures; the sanctions the regulation itself provides are administrative — warnings, business closure, permit revocation, demolition and fines — with criminal liability left to national law. The lawful routes remain *hak pakai* (right of use) for up to eighty years, *hak sewa* (right of lease), and holding under HGB through a PT PMA (*Perseroan Terbatas Penanaman Modal Asing*, a foreign-investment limited company).

Implication for appraisers. This is a question about the interest being valued, and it has an uncomfortable answer. Where a foreign purchaser has paid a freehold-equivalent price for land held on a nominee deed, the interest they hold is not the interest they paid for, and a valuation reporting the property's freehold value as though it were theirs reports a number that does not correspond to anything they own. The appraiser's obligation is to identify the legal interest first and value that, which in Bali will often mean valuing a *hak pakai* or leasehold term rather than a fee. Given how much foreign capital is priced into that market, the gap between the two figures is not a technicality.

Source — Indonesian, read in machine translation; original retained for the translated editions: DNT Lawyers, commentary on the nominee prohibition and Supreme Court decision No. 3020 K/Pdt/2014, <https://dntlawyers.com/mengukur-paradigma-pengaturan-larangan-perjanjian-nominee-di-bali/>

Source — Indonesian, read in machine translation; original retained for the translated editions: NusaBali, on Bali Provincial Regulation 4/2026, <https://www.nusabali.com/berita/217606/perda-larang-nominee-di-bali-rei-nilai-wna-masih-bisa-kuasai-lahan-secara-terselubung>

Malaysia — a seventy-year retrospective valuation and the statutory machinery

Judgments of the Malaysian superior courts are given in Malay or in English. Every item in this section was verified from English-language reports; no translation was involved. The contexts here are mixed and are flagged item by item: a compensation assessment conducted outside the statutory acquisition scheme, the statutory scheme itself, a constitutional challenge to pandemic-era legislation, and title and strata matters noted in one line.

The Duta Enclave: compensation assessed at the 1956 taking date. Semantan Estate (1952) Sdn Bhd (*Sendirian Berhad*, a private limited company) claims 263.272 acres (106.54 hectares) at Jalan Duta, Kuala Lumpur — land that now holds federal buildings. On 24 June 2025 the Court of Appeal at Putrajaya gave its decision, with written grounds dated 21 July 2025 and reported at [2025] 6 MLRA 189. The court — Lee Swee Seng, judge of the Federal Court (FCJ), presiding, sitting with Azimah Omar and Wan Ahmad Farid Wan Salleh, judges of the Court of Appeal — unanimously set aside the Kuala Lumpur High Court’s order of 7 August 2024 directing registration of the land in Semantan’s name. In its place the court ordered compensation, to be assessed by the High Court with the assistance of expert valuers, on the basis of the market value of the land at the time the government took possession — 3 December 1956 — and not at current market rates. The grounds, at paragraph [89], give the reason: “To have the compensation assessed as at the current date would be to reward delay on the part of Semantan Estate, as it only filed its High Court 2003 Declaration Suit in 2003 and obtained the declarative order in 2009.” The parties were directed to put in expert valuations as at the 1956 date, and the sums the government paid at the time — RM1,320,500.00 on 21 December 1956 and RM79,241.01 on 3 February 1959 — are to be deducted from the assessed compensation (paragraph [94]). The gap between 1956 and payment is bridged by two orders. Compensation at the 1956 value carries interest at six percent a year from 3 December 1956 to the date of payment; and the court ordered mesne profits — damages for wrongful occupation of land, broadly the fair rental value over the occupation period — for the unlawful occupation, which (per *Free Malaysia Today*, quoting Lee Swee Seng FCJ) “shall cease to be payable” upon payment of the assessed compensation.

On 13 November 2025 the Federal Court — Hasnah Mohammed Hashim, Chief Judge of Malaya, sitting with Hanipah Farikullah FCJ and Che Mohd Ruzima Ghazali, judge of the Court of Appeal — unanimously refused leave to appeal: the twenty-six proposed questions failed the threshold of sections 96A and 96B of the Courts of Judicature Act, being “fact-centric.”

The assessment itself is under way in the High Court before Roslan Mat Nor J. On 1 September 2026 the government’s valuer, Tan Tat Khuan, assistant director of the Valuation and Property Services Department (JPPH), testified that the government paid RM1,390,602.70 in 1956, exceeding his own valuation of RM875,000 for the land at that date. Semantan’s valuer is Foo Gee Jen. On mesne profits, the reported quantum positions are: for Semantan, between RM5 billion and

RM12 billion; for the government's valuers, approximately RM290 million (*The Edge*). The government tabled a settlement offer in mid-August 2026 while the assessment proceeds; the hearing resumes on 16 October 2026.

One framing caution. This is not a Land Acquisition Act 1960 acquisition. The 2009 ruling was that the acquisition was unlawful, and compensation is being assessed in an ordinary High Court trial on the evidence of the parties' valuers — not in a statutory land reference with assessors under the Act described below.

Implication for appraisers. The exercise the orders set up is a retrospective valuation at a date seventy years past, conducted in an ordinary trial on party expert evidence. The delay between taking and judgment is allocated through the choice of valuation date, which runs against the claimant, and is compensated through the six percent interest and the mesne profits, which run against the government — the mesne profits ending when the assessed compensation is paid. The question put to both parties' valuers is accordingly the market value of this Kuala Lumpur land as at 3 December 1956.

Source. Written grounds, [2025] 6 MLRA 189 (English), https://www.elaw.my/JE/01/JE_2025_35.html; *New Straits Times*, 24 June 2025 (Internet Archive snapshot 20250701031825 of nst.com.my article 1235111); *Free Malaysia Today*, 24 June 2025 (Internet Archive snapshot 20250624103243); *Sinar Daily*, chronology, <https://web.archive.org/web/20260207234948/https://www.sinardaily.my/article/731687>; *The Edge*, 13 November 2025, <https://theedgemalaysia.com/node/779532>, and 1 September 2026, <https://theedgemalaysia.com/node/816449>; *Malay Mail*, 14 August 2026 (the settlement offer).

Verification note. The sequence above was verified on 2 September 2026 against the sources cited; archive snapshots are given where the publisher's page has been archived.

The statutory baseline: the Land Acquisition Act 1960 (Act 486). For acquisitions that do proceed under the Act, the First Schedule, paragraph 1(1), anchors compensation to market value. The material date — the valuation date — is the publication in the Gazette (the official government journal; publication in it gives the instrument authentic effect) of the declaration under section 8 (Form D) — or, where the acquisition proceeds from a notification under section 4 and the section 8 declaration follows within twelve months, the date of the section 4 publication. The Schedule's further paragraphs add severance (the damage to retained land from being cut off from the part taken), injurious affection (compensation for the fall in value of the land the owner keeps) and reasonable relocation expenses, and direct that increases in value attributable to the acquisition's intended use be neglected — a scheme disregard, in US vocabulary the project-influence or scope-of-the-project rule. Procedurally, the Land Administrator holds an enquiry (section 12) and makes the award in Form G (section 14); objection is by Form N, and reference to the High Court is under section 38. In the High Court the judge sits, on objections as to compensation, with two assessors — one an officer of the Valuation and Property Services Department, one a registered private valuer (section 40A(2)) — and each assessor's opinion must be given in writing and recorded (section 40C). The element of section 40D that bound the judge to the assessors' opinion was declared unconstitutional in *Semenyih Jaya Sdn Bhd v Pentadbir Tanah Daerah Hulu Langat* (Federal Court, 2017) and, per commentary, the provision remains unamended. Appeals on pure quantum are barred by the proviso to section 49; only questions of law go up.

Implication for appraisers. In a statutory reference the valuation date is fixed by gazette publication rather than by possession, the heads of claim are enumerated, uplift attributable to the scheme is

excluded, and the registered private valuer sits inside the tribunal as an assessor rather than outside it as a party expert. The Duta Enclave assessment above follows none of this, because it is not an acquisition under the Act.

Source (commentary). Practitioner guides by MahWengKwai & Associates and by HHQ (<https://hhq.com.my>); the statements of the statutory scheme above rest on that commentary rather than on a reading of the gazetted text, and should be verified against Act 486 before reliance.

Tegas Sejati Sdn Bhd v Pentadbir Tanah dan Daerah Hulu Langat & Anor, Federal Court, [2024] MLJU 416; [2024] CLJU 330 — the assessors’ opinions must reach the parties. In an acquisition for the SUKE Expressway (Civil Appeal No. 01(f)-46-11/2022(B)), the Federal Court held that the written opinions of the section 40C assessors must be made available to the parties, reading the requirement together with Article 13(2) of the Federal Constitution; the non-compliance was serious, and the matter was remitted for rehearing.

Implication for appraisers. A valuer sitting as an assessor under section 40A writes an opinion that the parties are entitled to receive. The opinion is a document to be written for disclosure, not an internal note to the judge.

Source (commentary). HHQ client alert, 16 April 2024, <https://hhq.com.my>.

The assessors’ opinions the parties never saw: *Loyal Synergy*. *Loyal Synergy Sdn Bhd v Pentadbir Tanah Daerah Timur Laut Pulau Pinang*, Court of Appeal, [2026] 4 MLRA 74, applies the *Tegas Sejati* rule to a land reference. The Land Administrator awarded RM1,000,000 (RM2,212.39 a square meter), the High Court RM1,200,400 (RM2,450 a square meter), and the owner contended for RM4,377.62 a square meter — and the High Court had not disclosed the written opinions of its assessors to the parties before giving its final decision. The Court of Appeal unanimously set the decision aside and remitted the matter for a full rehearing, with a direction that any assessors’ report be furnished to all parties within a reasonable time before final arguments are heard.

Implication for appraisers. Malaysia sits a valuer beside the judge as an assessor, and this decision holds that what the assessor tells the court is evidence the parties may answer, not advice the judge may absorb. Any jurisdiction using expert assessors — and the Lands Tribunals of England, Scotland and Northern Ireland all do — faces the same question.

Source (commentary). Practitioner commentary, <https://law-partnership.com/non-disclosure-of-valuers-report-in-land-reference-proceedings-a-fundamental-error-or-a-curable-mistake/>.

Verification note. The report itself was not read; the citation, the figures and the orders are taken from the commentary cited. The editor’s materials dated the decision 25 February 2026; the commentary gives no date and that date is unconfirmed.

Court of Appeal, 15 May 2026 — the pandemic extension of vacant-possession time is not a taking. Eleven appeals, heard together, by homeowner purchasers against Sime Darby Brunsfield Resort Sdn Bhd and others challenged the minister’s third pandemic extension of the time for delivery of vacant possession (delivery of the property free of occupants) under section 38C of the Temporary Measures for Reducing the Impact of Coronavirus Disease 2019 (COVID-19) Act 2020 — a provision inserted by Amendment Act A1641, in force 14 January 2022 and covering 2021. The Court of Appeal — Ravinthran Paramaguru presiding, sitting with Azizul Azmi Adnan and Ahmad

Fairuz Zainol Abidin, judges of the Court of Appeal — upheld the extension. Liquidated ascertained damages (LAD) are the contractual remedy for late delivery under the statutory sale and purchase agreement, and the holding bears quotation: “Section 38C does not transfer any property... The developer does not acquire the appellants’ LAD rights. Those rights are not extinguished absolutely, they are suspended for a defined period... a general legislative modification of statutory contract rights in response to a force majeure event, not a taking of property.” There was accordingly no violation of Article 13(2). The rejected claim — that legislation had worked an uncompensated taking — is of the kind US practice calls inverse condemnation.

Implication for appraisers. The court’s characterization — suspension of LAD rights for a defined period, not extinguishment or transfer — is the datum for any exercise that treats accrued LAD as a receivable of the purchaser or a liability of the developer for the period the extensions cover.

Source. *The Edge*, 20 May 2026, <https://theedgemalaysia.com/node/804284>.

Noted in one line. The following Malaysian items were verified to exist; none is treated further in this installment.

- **EkoCheras** (Court of Appeal, reported on or about 15 July 2026): buyers who signed LAD settlement agreements cannot claim further late-delivery compensation (per *Free Malaysia Today* and *EdgeProp* headlines).
- **Lakefront Villa @ Cyberjaya** (Court of Appeal, 10 April 2026): injunction against commercial conversion affirmed.
- **First Residence, Kepong** (High Court, Anand Ponnudurai J, reported 27 July 2026): a utility room and 115 accessory parking bays shown on the certified strata plans are not common property; no ground under section 340(2) of the National Land Code was established against the registered title.
- **Monteno Sovo Suites** (High Court, judgment 24 April 2026): DBKL — Kuala Lumpur City Hall — and the liquidated developer found jointly liable for over RM1.3 million for structural damage to a neighboring house.
- **Seremban High Court, 24 August 2026**: the state government lacked standing for summary possession against the Undang’s residences; section 16 of the National Land Code requires the State Director of Lands and Mines.
- **Federal Court, 16 June 2026**: seven Orang Asli villagers from Pekan, Pahang, against Agrobrest (M) Sdn Bhd — standing to sue over desecrated ancestral graves; the RM140,000 award reinstated; customary rights not extinguished by the issuance of land title. The editor’s materials labeled this “Pos Simpor”; Pos Simpor is a different, ongoing Kelantan dispute.
- **Rawang** (Court of Appeal, 18 August 2026): no rights in a century-old house standing on land under a mining lease.
- **Sabah**: the Land (Subsidiary Title) Enactment 2026, passed on 30 April 2026, replaces the 1972 law, with the companion Building Management Enactment 2026.

Thailand — the market price on the decree date, with a set-off capped at half

This section’s principal context is compulsory acquisition under Thailand’s 2019 statute — the measure, the date, and the set-off against compensation of betterment (the project-caused rise in the value of the owner’s retained land). Two title items follow, on land dedicated to the purpose for which it was taken and on estate common land that cannot be conveyed.

No supranational layer. Thailand is not a member of the European Union, and no binding regional human-rights court has property jurisdiction over it: ASEAN maintains a declaration and an intergovernmental commission, not a court, and Thailand has accepted no regional tribunal to which an expropriated owner could take a compensation complaint. Unlike the European and Latin American installments in this issue, there is therefore no supranational property instrument to note; the constitutional guarantee and the statute are the whole of the law.

The statute. The governing act is the *Phra Ratchabanyat Wa Duai Kan Wenkhuen Lae Kan Dai Ma Sueng Asangharimmasap Pho.So. 2562* — the Act on Expropriation and Acquisition of Immovable Property, B.E. 2562 (2019; B.E., *Pho.So.*, is the Buddhist Era — subtract 543 for the Gregorian year) — published in the Royal Gazette (*Rachakitchanubeksa*, the official journal in which Thai law is promulgated), Vol. 136, Part 71 Kor, p. 1, of 29 May 2019 (B.E. 2562), and in force the following day (section 2). No official English translation was located on the Office of the Council of State’s translation register, and English renderings in practitioner use vary (“Immovable Property Expropriation and Acquisition Act” is common); the Thai title is the authority for the rendering used here. Section 3 repeals the Expropriation of Immovable Property Act B.E. 2530 (1987) and the National Peace-Keeping Council Announcement No. 44 of 28 February B.E. 2534 (1991) that had amended it. Section 7 states the purposes — public utilities, national defense, the obtaining of natural resources, or other public interest, expressly including town planning, environmental protection, agricultural development, land reform, land consolidation, conservation of ancient monuments and historic sites, industry, and special economic zones. The procedure runs in stages: a royal decree (*phra ratchakritsadika*) under section 8 delineates the zone of land to be expropriated and may run for at most five years (section 9); a committee then fixes a preliminary price and the authorities attempt a negotiated purchase at it (sections 19–25); owners who do not agree are reached by a specific Expropriation Act (*phra ratchabanyat wenkhuen asangharimmasap*) under sections 28–30, and ownership vests in the acquiring authority (in the United States, the condemnor) on the day that Act takes effect, though possession may be taken only once the compensation has been paid or deposited (section 31).

The constitutional guarantee. Section 37 of the Constitution of B.E. 2560 (2017) (Royal Gazette Vol. 134, Part 40 Kor, 6 April 2017) guarantees property and inheritance rights, permits expropriation only under a law enacted for the section 7 class of purposes, and requires that “*kha thotthaen thi pen tham phai nai wela an khuan*” — fair compensation within a reasonable time — be paid to the owner and to all holders of rights who suffer loss from the expropriation, “having regard to the public interest, the effect on the person whose property is expropriated, including any benefit which that person may receive from the expropriation” (“*ruam thang prayot thi phu thuk wenkhuen at dai rap chak kan wenkhuen nan*”). That closing clause is the constitutional warrant for the statutory betterment set-off described below. The same section requires every expropriation law to state its purpose and the period for putting the land to use, and directs that land not so used be returned to the former owner or heirs.

The measure and the date. Section 20 directs that the preliminary price for expropriated land be fixed with regard to five matters “taken together” (*prakop kan*):

- (1) “*rakha thi sue khai kan tam pakati nai thong talat khong thidin nai wan chai bangkhap phra ratchakritsadika*” — the price at which the land would ordinarily be bought and sold in the market on the date the section 8 royal decree takes effect;
- (2) the government assessed price of the land fixed for the collection of land-and-buildings tax;
- (3) the assessed capital value used for collecting registration fees for rights and juristic acts under the Land Code;
- (4) the condition and location of the land; and
- (5) the cause and objective of the expropriation.

The market limb carries its own date: the valuation looks to the market on the day the delineating decree comes into force, before the project has had time to move prices around it. The criteria and method are elaborated by ministerial regulation. Section 21 gives the committee one hundred and eighty days from appointment to fix the preliminary price (extendable by up to ninety), and where the Minister considers the figure so low or so high as to be unfair, the Cabinet may fix a new price which is then deemed the committee’s. Section 38 carries the same section 20 criteria over, *mutatis mutandis*, to the compensation fixed at the expropriation stage — even where the decree has meanwhile expired — adding that regard must be had to fairness and parity between owners who sold or ceded possession early and those expropriated under the specific Act. An owner who agrees to sell at the preliminary price receives a statutory bonus of two percent of that price (section 26).

The set-off and the remainder. Section 22, first paragraph, states the set-off: if the undertaking for which the expropriation is made causes the remaining land in the same plot to rise in price, “*hai ao rakha thi sung khuen nan hak ok chak ngoen kha thotthaen*” — the increase shall be deducted from the compensation — “but in no case may the deduction exceed fifty per cent of the compensation” (*tae mai wa karani cha pen prakan dai cha hak koen roi la ha sip khong ngoen kha thotthaen mi dai*). The set-off is disappplied where the owner is liable, for the same plot, to the tax levied on benefit derived from state transport-infrastructure development under the law on that subject — the statute will not take the betterment twice. The third paragraph supplies the converse: where the undertaking causes the remaining land in the plot to *fall* in value, compensation is to be fixed for that decrease. The set-off itself is old law: the Expropriation of Immovable Property Act B.E. 2497 (1954), section 14, and the Act of B.E. 2530 (1987), section 21, both deducted the rise in the remainder’s value, limited only by the rule that the deduction could not exceed the compensation so as to leave the owner paying money to the state; the fifty percent ceiling is the 2019 Act’s addition. In partial takings, where part of a building or structure stands on the land taken, the owner may require the remainder of the structure to be acquired as well (section 33); where the residue of a land plot is smaller than twenty-five square wa (one hundred square meters), or any side of it is shorter than five wa (ten meters) and it cannot safely be lived on or used, the owner may within one hundred and twenty days of notice require the authority to buy the remainder — unless the residue adjoins other land of the same owner with which it forms a usable whole (section 34). Section 35 permits, with the owner’s consent, compensation in substitute land where the taking leaves the owner without land enough to live on or earn a living from.

Who fixes the figure, and the challenge. On the decree taking effect, the acquiring authority appoints the committee (*khana kammakan*) of section 19: representatives of the authority itself, of the Treasury Department (*Krom Thanarak*), and of the Department of Lands (*Krom Thidin*), the district chief (*nai amphoe*) or district director, and the relevant local administrators; it fixes both the preliminary price and the compensation. Compensation is owed not only to the landowner but to owners of buildings and structures, owners of standing perennial trees, tenants and subtenants, persons losing statutory rights of way or of conduit under sections 1349 and 1352 of the Civil and Commercial Code, and lawful occupiers and business operators injured by having to leave (section 40); it comprises the land value together with demolition and removal costs, the cost of erecting replacement structures, and other damage flowing from the owner's having to quit the land (section 37). A recipient dissatisfied with the figure appeals to the Minister within ninety days of receipt or deposit of the money (section 49); the Minister must refer the appeal to a committee of not fewer than five persons qualified in law and expert in the valuation of immovable property (*phu mi khwamru khwam chiaochan nai kan ti rakha asangharimmasap*), which reports within one hundred and eighty days, the Minister deciding within thirty days of the report. Failing satisfaction, the owner may sue within one year (section 50); whatever increase the Minister or the court awards carries interest at the maximum rate paid on fixed deposits by the Government Savings Bank (*Thanakhan Omsin*) from the date of the original payment or deposit.

What may not raise the figure. Section 23 is an anti-manipulation disregard directed at the owner's side of the ledger, not the project's: where the price of the land taken is higher because of structures built or extended, planting, improvement, or leases made *before* the decree by fraudulent contrivance (*ubai chochon*) for the purpose of obtaining compensation, or made *after* the decree without the authority's permission, no preliminary price or compensation may be fixed for that increase. Section 24 adds an anti-speculation rule: where the owner acquired the land within the five years before the decree and did not genuinely live on it, work it, or use it, the committee may fix a price below the section 20 figure, though not below the land's price when the owner acquired it.

The dedication of the land taken. The 2019 Act binds the land to the purpose for which it was taken. The acquiring authority must begin carrying out the purpose of the expropriation within five years (section 51); land not put to that use, or left over from it, must on request be returned to the former owner or heirs, who apply within three years and repay the compensation with interest at seven and a half percent, capped at the market price of the land at the date of the request (sections 53 and 54). The Constitution's section 37 imposes the same discipline at the higher level. The land taken is, in short, dedicated: it is not a free asset of the acquiring authority to redeploy.

The Ashton Asoke case. That dedication principle produced the period's most conspicuous judgment. The Supreme Administrative Court (*San Pokkhrong Sungsut*), by judgment read on 27 July B.E. 2566 (2023), affirmed the revocation of the building-permit notification for the Ashton Asoke condominium, a tower of about fifty stories standing completed above the Sukhumvit metro station in Bangkok, with more than five hundred units sold. The project's only qualifying road access ran over land that the Mass Rapid Transit Authority of Thailand (MRTA) had expropriated for the Blue Line metro; the developer held the MRTA's permission to pass over it. The courts held that land expropriated for the rail undertaking could not do service as the private project's legal frontage: the access strip was dedicated to the public purpose for which it was taken, and could not supply the

abutment on a public way of the prescribed width — reported as twelve meters, under the ministerial regulation issued under the Building Control Act B.E. 2522 (1979), which governs large buildings and is context here rather than expropriation law — that the condominium needed. The court revoked the permit document without ordering demolition, leaving the developer to cure the access defect; the attempted cures (buying adjoining land, legislative amendment, renewed permission) and the consequences for the developer’s credit were still working themselves out through 2024, and the matter is reported as remaining live in enforcement into 2025–2026, though the department has not independently verified the later steps. For the valuation discipline the point is the expropriation-law one: land taken under compulsory powers is tied to its purpose, and rights over it — including permissions the expropriating authority itself grants — cannot be counted on to satisfy another parcel’s regulatory requirements. An appraisal that capitalizes such access into value builds on sand.

The Prime Nature Villa case. A Supreme Court (*San Dika*) decision reported in August 2026 — which the department has not been able to verify against any reachable primary or mirror source, and records here on the strength of the report alone — is said to have held that common and public-utility land of the Prime Nature Villa housing estate in Bang Phli, Samut Prakan, could not be transferred out of the village juristic person (*nitibukkhon muban chatsan*): the sale to an outside buyer was void, the land was re-registered to the juristic person, and structures the buyer had erected were removed, a paying good-faith purchaser notwithstanding. The statutory frame, unlike the decision, is verified. Under the Land Allocation Act B.E. 2543 (2000), section 43, the utilities an allocator provides — roads, gardens, playgrounds — fall under a servitude (*phara chamyom*) for the benefit of the allocated land and must be maintained; and once the allocation license is granted, section 33 forbids juristic acts creating burdens on land constituting public utilities or land used for public services. A conveyance whose object is expressly prohibited by law is void under section 150 of the Civil and Commercial Code (“an act is void if its object is expressly prohibited by law, impossible, or contrary to public order or good morals”), and a void act conveys nothing — good faith and payment do not cure it. The point is kin to the title items elsewhere in this issue: the register is not the last word where the underlying transfer was void, and a valuation of allocated-estate common land as developable inventory values something the seller cannot convey.

Identified but out of scope. Four matters from the period are identified for completeness and not treated, the first two verified only as reported: Supreme Court decision 4655/B.E. 2566 (2023), reported as voiding pre-agreed “30+30+30” lease renewals against the thirty-year cap of Civil and Commercial Code section 540 (tenure, not valuation); Supreme Court decision 1781/B.E. 2567 (2024), a matrimonial property and damages matter; the Aetas Bangkok / Soi Ruamrudee building-height litigation and its demolition enforcement (building control, not expropriation); and the Department of Lands circular Mo.Tho. 0515.2/Wo. 10722 of 15 May B.E. 2569 (2026) with the associated Koh Pha-ngan enforcement — administrative control of nominee landholding, outside valuation scope like the other nominee notes in this issue.

Implication for appraisers. The Thai instruction is a committee-administered composite with a market anchor: the price at which the land would ordinarily change hands in the market, dated to the day the delineating decree takes effect, stands first among five factors that also include two official assessed values, the land’s condition and location, and the purpose of the taking. The date discipline matters — the market limb is frozen before the project can move prices — and the purpose factor gives the committee express warrant to weigh what the taking is for. In a partial taking the appraiser must value the remainder twice over: any project-caused rise in the remainder’s value

comes off the award, but never more than half of it, and never where the owner already pays the transport-betterment tax; any project-caused fall is itself compensable, and a residue below the statutory size and shape thresholds converts into a right to make the authority buy the rest. The valuation of anything adjoining expropriated land should treat that land as dedicated to its public purpose: Ashton Asoke shows the consequence of capitalizing access over it into a private project's value.

Verification note — The Act of B.E. 2562 (2019) was read in full in the official Royal Gazette text (Vol. 136, Part 71 Kor, 29 May 2019, twenty-six pages), retrieved as an archived copy of the official [ratchakitcha.soc.go.th](http://www.ratchakitcha.soc.go.th) PDF; sections 2, 3, 7–9, 19–26, 28–31, 33–35, 37–40, 49–51 and 53–54 as stated above are taken from that text, and all transliterated phrases are verbatim from it. Section 37 of the Constitution was read the same way (Vol. 134, Part 40 Kor, 6 April 2017). The set-off lineage (1954 Act section 14; 1987 Act section 21) and the Land Allocation Act B.E. 2543 (2000) sections 33 and 43 were verified in the Office of the Council of State's full-text statute register (ocs.go.th), which also lists the 1987 Act as repealed and shows no amending act to the 2019 statute; the Royal Gazette's live site and the Krisdika web portal were unreachable (WAF-blocked) at the time of writing, and no official English translation of the 2019 Act was located, so the English title above is the department's own rendering. Civil and Commercial Code section 150 was checked against a mirror translation only. The Ashton Asoke judgment date (27 July 2023, Supreme Administrative Court) and the MRTA-access ground are confirmed by contemporary Thai press reporting (The Standard, 3 August 2023, two articles); the judgment text itself was not reachable. The Prime Nature Villa decision could not be verified at all and is marked accordingly; the four out-of-scope items are identified from the department's brief and, except as noted, not independently verified.

Source — Thai, read in machine translation; original retained for the translated editions: Phra Ratchabanyat Wa Duai Kan Wenkhuen Lae Kan Dai Ma Sueng Asangharimmasap Pho.So. 2562, Ratchakitchanubeksa Vol. 136 Pt. 71 Kor, 29 May 2019 (archived official PDF), https://web.archive.org/web/20190710222526/http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/071/T_0001.PDF

Source — Thai, read in machine translation; original retained for the translated editions: Constitution of the Kingdom of Thailand B.E. 2560, Ratchakitchanubeksa Vol. 134 Pt. 40 Kor, 6 April 2017 (archived official PDF), <https://web.archive.org/web/20170407164030/http://www.ratchakitcha.soc.go.th/DATA/PDF/2560/A/040/1.PDF>

Source — Thai, read in machine translation; original retained for the translated editions: The Standard, reporting the Supreme Administrative Court judgment of 27 July 2023 (Ashton Asoke), <https://thestandard.co/bma-clarifies-doesnt-favor-ashton-asoke/>

Taxation

Ad valorem assessment appeals, current use against highest and best use, special-purpose and utility property, estate and gift tax, and conservation-easement valuation.

No decisions in this category this quarter.

Lending, Foreclosure, and Mortgage Regulation

Origination and refinance appraisals, GSE, FHA and FIRREA independence rules, deficiency actions, and what loss the valuation actually caused.

No decisions in this category this quarter.

Valuer and Appraiser Professional Liability

Negligence, breach of contract, and rarely fraud against the appraiser; bracket and margin of error, intended use, and USPAP compliance.

Malaysia — RM1.3 million against the panel valuers: *RHB Bank v Azmi & Co.* Kuala Lumpur High Court, 7 February 2025. Panel valuers valued a security at RM2.2 million against a loan of RM1.87 million; its true value was about RM900,000. They had failed to apply proper comparables and prior sales as the Malaysian Valuation Standards require. Held negligent; damages RM1.3 million — the shortfall, not the loan.

Indonesia — a license revoked for signing under suspension. Ministerial decision 48/KM.1/2025 of 29 January 2025 revoked a public valuer's license for signing valuation reports while suspended.

Implication for appraisers. Two jurisdictions, two different instruments — a negligence judgment and a license revocation — and the same substance as Poland and the Netherlands, reported in this issue's European installment: the sanction attaches to method and to conduct, not to being wrong about the number.

Source — *RHB Bank v Azmi & Co.* practitioner note: <https://lh-ag.com/dispute-resolution-valuers-duty-of-care-to-banks/>; Indonesian decision 48/KM.1/2025, decree copy: <https://id.scribd.com/document/829234889/>.

Family Law, Divorce, and Equitable Distribution

Date-of-value contests, discounts, and whether a contemplated subdivision or development is reasonably probable.

Thailand — the divorce agreement governs, and “sale” includes the auction. A house bought in marriage for THB 3,150,000; the divorce agreement provided that on sale THB 2,800,000 be refunded to the husband first and the balance to the wife. The execution auction realized THB 2,590,000, and the wife took nothing — the registry agreement is a binding division contract, and “sale” includes a court auction.

Source — Thailand 1319/2568: <https://deka.in.th/deka/2568-1319>.

Estate, Trust, and Probate

Date-of-death value, lack-of-control and marketability discounts, and mixed real-estate and business interests.

Thailand — the administrator who sold below the heirs' floor. The heirs resolved to list estate land at not less than THB 3,200,000, with a six-month term and re-pricing thereafter, and to consult by telephone on offers. The administrator sold at THB 2,200,000 after obtaining the telephone consent of most heirs. Held: not negligent, no loss to the estate, and sale-and-divide is a valid mode of partition. Set against the Kenyan decision reported in the African installment — where an administrator who sold without authority was charged with the property's *current* value — the two mark the outer limits of an administrator's exposure.

Source — Thailand 9091/2568: <https://deka.in.th/deka/2568-9091>.

Partnership, Shareholder, and Buy-out Disputes

Fair value against fair market value, and whether an asset or cost approach is appropriate when the real estate is an operating asset.

No decisions in this category this quarter.

Insurance, Casualty, Environmental Diminution, and Private Contract Damages

Before-and-after value, cost to cure against stigma, wildfire and contamination, insurance appraisal clauses, options, and partition.

No decisions in this category this quarter.