

IAVI Conference

Some 400 IAVI members attended the Conference in the Royal Marine Hotel, Dun Laoghaire on Friday 25th January. The array of speakers on the day provided a programme that held everyone's attention from beginning to end. The Conference was opened by Minister for the Environment, Heritage and Local Government, John Gormley TD who caused slight panic by arriving late! However, due to the excellent moderator, Jim Power, the programme was on schedule despite the late start. The morning speakers, Philip Parnell and James Pike, addressed the delegates on Sustainability in commercial and residential property. Derry Grey, BDO Simpson Xavier, outlined the proposed changes to the IAVI Council structure.

First up in the afternoon was Brendan Keane who gave a very interesting and informative talk on contaminated sites. Then the audience were really woken up with an electrifying presentation by Bob Pritchard on customer relations, marketing and just about anything else you can think of to enhance your company's image. Marc Coleman followed with his opinion on where the economy is heading in 2008 and his assertion that the outlook is not all doom and gloom. Jim Power wound up the day with a brief look at general housing stats and also rural housing and environmental issues. The question and answer sessions during the day brought forth some very interesting and thought provoking comment not least the last one of the day which saw both Jim and Marc in what could be described as an unscripted mini debate on the economy.

The dinner in the evening was a very relaxed affair and the after dinner speaker, Micheal O'Muircheartaigh, entranced the audience, including veteran speaker Bob Pritchard, with his own inimitable style.

As is customary at these events, the networking in the bar afterwards continued long into the night.



ABOVE: IAVI President Robert Ganly and Minister John Gormley



ABOVE: Moderator and speaker Jim Power, Friends First; IAVI President Robert Ganly and Munster Region Chairman, Gerard O'Dea, Cohalan Downing & Associates



ABOVE: Audrey FitzGerald, Hickey O'Donoghue Auctioneers, Limerick; Deborah O'Callaghan, Rooney Auctioneers, Limerick; Gordon and Lisa Kearney, Rooney Auctioneers, Limerick; Mark Cusack, Property Team Cusack Dunne, Limerick and Norma Murphy, Rooney Auctioneers, Limerick

More photos from the Conference overleaf.

Advertising Campaign

This February will see the IAVI launching an intensive four week nationwide advertising campaign aimed at highlighting the importance of only selling through or buying from, an IAVI member. The campaign, which will run across national print and radio, has three main objectives. The first objective is to establish the IAVI logo as "a sign of high standards". The second objective aims to promote the positive qualities of IAVI members i.e. ethics, professionalism and a commitment to high standards. The final objective is to educate the general public as to the level of expertise required to become an IAVI member.

To ensure maximum impact for members, the IAVI is distributing point of sale material to all Member Firms and embarking on a public relations drive to support the advertising campaign. The public

relations section of the campaign is being run by Bracken PR.

The point of sale material mentioned above will be delivered to each member firm between the 11th and 15th of February. The point of sale material will consist of A4 posters that can be easily incorporated into member window displays and A5 leaflets that can be inserted into all correspondence between Member Firms and their customers. There is also an IAVI internet banner being developed which Member Firms will be able to display on their websites.

To receive the maximum return from the advertising campaign the IAVI is recommending that Member Firms prominently display the aforementioned point of sale material wherever possible.

- > Finance Bill 2008 – Property Related Measures
- > The Bill
- > AMVs
- > CPD
- > Forthcoming Regional AGMs
- > Madrid International Real Estate Exhibition
- > Northern Ireland Regional Annual Dinner

Finance Bill 2008 — Property Related Measures By Caroline Rochford & Darragh McCarthy, Deloitte

The following is a brief overview of the property related measures proposed in Finance Bill 2008 (hereafter "the Bill"). The measures proposed in the Bill are subject to amendment before being enacted into law in the Finance Act in early April. Further detail in relation to the changes outlined below is available from www.deloittefinancebill.ie

New Measures Proposed

No change has been proposed in relation to the rate of income tax, corporation tax and capital gains tax applying to property transactions. However, the Bill does outline a number of proposals relevant to the property sector.

Caravan and Camping Sites - Capital Allowances

The Bill proposes an extension to the existing industrial buildings allowance regime to expenditure incurred from 1 January 2008 on buildings and structures used in a caravan and camping site registered under the Tourist Traffic Acts.

Under the proposal, capital allowances will be available in respect of such expenditure at a rate of 5% p.a. over 25 years.

New VAT on Property Provisions

The Bill includes the much anticipated proposed changes to VAT on property transactions, which represent a root and branch reform of the Irish VAT on property system.

The following is a brief overview of the main changes:-

- § Sales of "new" residential and commercial buildings will be subject to VAT @ 13.5%;
- § Sales of "old" commercial buildings will be VAT exempt with a right to opt to tax the sale @ 13.5%;
- § Leases of residential property will be VAT exempt;
- § Leases of commercial property will be VAT exempt with a right to opt to tax the lease rentals @ 21%;
- § Wide-ranging transitional measures designed to bridge the gap between the old and new rules.

It is crucial that the VAT implications of all property transactions be considered in light of the proposed new provisions.

Reporting of Foreign Rent Received

The Bill proposes the introduction of a Revenue power which will allow Revenue to request information from Irish letting agents in relation to foreign rental properties managed on behalf of their Irish clients.

Previously such information could only be requested in relation to Irish rental properties.

Anti-avoidance - Property Developers

Persons who meet the definition of a "property developer" are not entitled to claim capital allowances under various property incentive schemes. A "property developer" is defined as a person carrying on a trade which consists wholly or mainly of the construction or refurbishment of buildings

with a view to their sale.

The Bill seeks to extend the restriction on the availability of capital allowances to claims by a person "connected" with a property developer. Examples of connected persons include spouses, relatives, spouse of a relative and partners in a partnership.

The provision, once enacted, will apply to claims for capital allowances in respect of childcare facilities, qualifying hospitals, mental health centres and the mid-Shannon corridor tourism scheme.

Anti-Avoidance - First Time Buyers Relief

The Bill proposes a narrowing of the definition of a first-time buyer for stamp duty purposes to prevent artificial claims for first-time buyer's relief in situations where the consideration for the acquisition includes a conditional gift or loan.

Relevant Contracts Tax

The Bill proposes the removal of the obligation on a company to operate RCT when engaging sub-contractors to carry out construction work on their business premises when the company itself qualifies as a principal contractor solely by virtue of the fact that it is connected to a company engaged in land development or construction.

Residential Leases

The Bill provides that the rent threshold below which a residential lease is exempt from stamp duty will be increased from €19,050 to €30,000 in respect of leases executed on or after the date of passing of the Finance Act 2008.

E-Stamping

The Bill includes a number of provisions to allow for the future introduction of "e-stamping" of instruments for stamp duty purposes in accordance with Revenue's increased push towards online interaction. The facility for e-stamping documents is expected to be introduced in late 2009.

Residential Property - Stamp Duty on Contents

The proposed provisions include an amendment which will mean that the contents of residential property will no longer be taken into account in determining the stamp duty liability on the consideration attributed to that residential property. However, the total consideration must be apportioned on a bona fide basis between the property and the contents.

The Bill also confirmed the measures relating to Residential Stamp Duty changes etc outlined in the Winter issue of the Property Valuer.



ABOVE: Doireann Barrett, North's Real Estate Alliance, Tralee and Aoife O'Connell, PropertyNews.com



ABOVE: Michael and Martina Neylon, Neylon & Co, Kildare



LEFT: Tom Potterton, Potterton Real Estate Alliance, Trim; Chris Smith, Gunne Residential, Navan and Aidan Heffernan, Sherry FitzGerald Royal, Trim



LEFT: Des Purcell, Purcell Properties, Waterford; Michael Boyd, Boyd's Real Estate Alliance, Kilkenny and speaker Bob Pritchard

The Bill

With due deference to ITV, the only Bill of serious consideration to members of the IAVI right now is that which will establish the National Property Services Regulatory Authority (NPSRA).

The IAVI understands that the Bill will be published in the early part of 2008 and enacted later in the year. However, licence renewals in 2008 will most probably take place under the old legislation. It is clear that in Oireachtas terms 'tempus' certainly does not 'fugit'.

AMVs

In the interim, the Director Designate of the NPSRA, Tom Lynch, has confirmed to us that although the Authority's voluntary (for now) Code of Conduct refers to 'Advised Value' and not 'Advised Minimum Value', agents who continue to use AMV before the enactment of the new legislation will be deemed compliant with the NPSRA Code as AMV, on the basis of IAVI guidelines, meets the intent, if not literally the letter, of the NPSRA Code in this regard.

The NPSRA Code is based on the draft Heads of Bill published in December 2006. The IAVI has suggested to the Department of Justice, Equality and Law Reform that, as agents and the public are now used to the term 'AMV' (which incidentally was a recommendation of the Review Group and not of the IAVI, but which was adopted by IAVI along with all the Review Group's recommendations), the term should be amended by changing the word 'minimum' to 'market'.

If this suggestion is adopted, the term 'AMV' would mean 'Advised Market Value', reflecting reality without the need to re-educate the public and practitioners to use 'AV' instead of 'AMV'.

CPD

Following a complete audit of every member's records, 96% of IAVI members have been found compliant with the IAVI CPD requirements. The remaining 5% have now been referred to the Chairman of the Disciplinary Committee, the Chairman of the Education Committee and the Chief Executive for action under IAVI Rule No. 23.

National Council, following the great success of our 100% audit (the IAVI is, we believe, the first professional body in Ireland to audit all of its members) has agreed to revert to a 10% audit in future, with those against whom complaints are upheld and those who fail to pay IAVI subscriptions within three months being automatically included in the sample of those who will have to submit CPD records - you have been warned. The balance will be chosen at random. Full details were issued to all members with the January Property Valuer.

To reflect the huge workload imposed on the IAVI's staff in the CPD audit, the new CPD period will run for the calendar years 2008, 2009 and 2010, rather than commencing on 1st January 2007. Those who undertook CPD in 2007 may carry it forward into the new period, providing it was not needed to make good a shortfall for the 2004-6 CPD period.

The efforts of the IAVI's CPD staff, led by Noel O'Reilly, to get 96% of members across a finishing line that many felt they would never reach, is to be lauded.

CPD - AN EASY SOLUTION?

Would you like a way to undertake 60 hours of relevant CPD (equal to the IAVI requirement for 3 years) at one event?

Under the International Consortium of Real Estate Association's umbrella, and in conjunction with the National Association of Realtors of the USA, the IAVI will offer a Certified International Property Specialist course, which will include a Transnational Referral element, in the week commencing Sunday June 22nd 2008 in Trinity College. It will be possible to stay in Trinity for the duration.

In an already tested format, participants will learn about property markets and methodologies in different regions around the globe and will be examined at the end of the course. Successful candidates, who can evidence three international transactions as agents (sale of a foreign property or sale to a foreign buyer or sale for a foreign seller) will be

eligible to apply for the CIPS designation, which is a widely recognised designation of similarly qualified professionals active to varying degrees in international markets.

The fee on a non residential basis will be in the order of €1,200, which could be recovered were you to get a single referral fee for sending the right successful buyer to another CIPS designee abroad. Every contact you have knows many people who are buying abroad. In a tightening market, it makes sense to explore every possibility to improve fee income and this CIPS course could be your starting point.

The added bonus is that, if you successfully complete the course and pass the examination, you will secure 60 hours of CPD, sufficient to cover you for the 2008-10 CPD period. The number of hours is justified because, in addition to lecture time, you will be busy on project work during the week in question. One to consider, even if it means taking a week's holiday at such a nice time of year!

Only 50 places are available for Irish participants, as the remaining 50 are reserved for overseas members of ICREA organisations, primarily those from America. Therefore it's a case of first come, first served and those interested should contact Valerie Bourke at 01 6611794 or by email to Valerie@iavi.ie.

NOW IS THE TIME TO REGISTER YOUR INTEREST IN AN IAVI COURSE.

Anyone interested in starting the IAVI/DIT BSc(Hons) in Property Studies, (four years part-time) or the IAVI Residential and Land Agency programme, (two years part-time), can register their interest now. Just send an email saying which programme you are interested in to vivienne@iavi.ie and you will be sent further details plus full details of the application procedures. Candidates who hold a Diploma or who have passed all subjects in the IAVI Direct Final Examinations are eligible for entry into year 3 of the BSc (Hons) Property Studies. Applicants who have obtained a Merit or Distinction in the DIT Ordinary Degree Course in Auctioneering and Estate Agency may enter the programme in year 4. This is important as both programmes tend to be over-subscribed. The best way to secure a place is to apply early and complete the registration procedures as quickly as possible. Details are also available on the IAVI website, www.iavi.ie/Courses.

Forthcoming Regional AGMs

Region	Date	Venue	Time
Connaught/Donnegal	Monday 18th February	McWilliam Hotel, Claremorris, Co. Mayo	6.30 pm
South East	Wednesday 20th February	Sevenoaks Hotel, Carlow	11 am
Munster	Wednesday 20th February	Kingsley Hotel, Cork	7.30pm
North Leinster	Tuesday 26th February	The Boyne Valley Hotel, Drogheda	6.00pm
Northern Ireland	Monday 3rd March	The Wellington Park Hotel	7.30pm



PROPERTY BYTES

SIMA 2008

Madrid International Real Estate Exhibition 8th to 12th April

On April 9th to 11th as part of the Exhibition SIMA will hold the International Professional Programme in collaboration with the National Association of Realtors (with whom the IAVI have a bi-lateral agreement), the European Council of Real Estate Professionals (CEPI) and more than 50 international real estate associations worldwide. CEPI is the umbrella organisation for Property Agents and Property Managers in the EU and IAVI is a member of EPAG (European Property Agents Group) one of its branch organisations.

SIMA's International Programme attracts 160,000 visitors, 800 exhibitors

from 28 different countries and 100,000 sq m of exhibiting area which is the largest worldwide real estate exhibition. During SIMA's International Programme several networking hours will be organised at the International Business Centre (IBC) where professionals will be able to network and contact professionals and associations from more than 50 markets. The first afternoon of the programme will offer the possibility to meet with professionals from northern, southern and Eastern Europe. On April 10th the sessions will address the Americas and finally on April 11th the focus will be on Asia and Africa.

Northern Ireland Regional Annual Dinner

On Saturday 19th January the Northern Ireland Region held its very popular Gala Dinner in the Dunadry Hotel. Some 150 members and guests attended the dinner. During the evening IAVI President, Robert Ganly, gave a short speech outlining the pending changes within the IAVI.



LEFT: Gordon and Maureen Mawhinney; IAVI President Robert Ganly and Sandra Ganly and RICS Northern Ireland Chairman Gerry Millar and Alice Millar

RIGHT: Ricky, Rebecca and Gareth Wilson of Wilsons Auctions



LEFT: Philip Gill; Northern Ireland Chairman James Armstrong and Melanie Giles