

Property Bytes



July 2008

That was the week that was...

From Sunday 22nd June through to Saturday 28th the IAVI was a hive of activity. The Certified International Property Specialist course was held in Trinity College commencing on Monday 23rd. 30 students (11 from Ireland) participated in the course, some travelling from as far away as Hawaii and Bermuda with a large contingent from mainland US. Before the serious business of study there was a tour of Dublin with a stop off at the Guinness Storehouse on Sunday afternoon. The IAVI hosted a reception on Sunday evening for both the CIPS students and the Executive Committee of ICREA (International Consortium of Real Estate Associations) who held their mid-year meetings in the Institute on Monday, Tuesday and Wednesday. This was the first opportunity for the students to mingle and become acquainted with the instructors and their fellow students with whom they would be sharing a week of long hard study.

Then it was down to the hard graft. The students arrived bright and early at Trinity at 8.30am on Monday morning with not an inkling of what was in store for the week. However, it didn't take long for them to become acclimatised to the rigours of the course but they were helped all along the way by the three excellent instructors, Marcus Wally, Aida Turbow and Cormac Meehan. The camaraderie that developed between the students as the week unfolded was a joy to witness. By Saturday, firm friendships had been forged and at the closing dinner on Saturday night, when the students received their certificates, this was very evident.

It wasn't all hard work though - the students became well acquainted with the sights and sounds of Dublin in the evenings during the week. That well known architectural guide, Michael Boyd, conducted some interesting walks that sometimes ended up in a hostelry!

While all of this was taking place No. 38 was hosting delegates from ICREA who had gathered from the five continents for their mid-year meetings. The meetings stretched over three days with the final day being the busiest when 20 delegates from around the world gathered to make decisions on some important issues. Although it was a busy time it was very rewarding, especially for the students who were so proud of their achievement and deservedly so.



ABOVE: Mr. Edward Carey, President of the IAVI speaking at the casual CIPS/ICREA reception



ABOVE: The CIPS class at Trinity



RIGHT: At the end of a rewarding week: Noreen O'Sullivan (centre) receives her certificate from instructors Marcus Wally and Aida Turbow

- > IAVI/DIT part-time BSc (Hons) in Property Studies
- > Launch of Dublin Branch of Young Members
- > Lisbon Agenda on EU Conveyancing
- > CEN European Guidelines
- > FATF
- > Student Work Experience

IAVI/DIT part-time BSc (Hons) in Property Studies

Some places are still available on this course.

You are eligible to apply if:

- You work in property related employment, (this includes auctioneering, estate agency, property management, property development or property related activities in financial institutions, large businesses, the state and semi-state sectors and local authorities);
- You have a degree, or Diploma (at level 7 or above);
- OR are 23 years old or over and have at least five years, (not necessarily consecutive) relevant experience.
- If you have a Diploma or Ordinary Degree from GMIT, LIT, or DIT you may be eligible to 'top up' to honours level by entering Year 3 or Year 4 of the degree.
- If you passed the old IAVI 'Direct Final' you may enter the degree programme in Year 3.

If you would like to be sent an application form, please send your address to: education@iavi.ie and one will be posted to you.

Dublin Branch of Young Members Launched

The Dublin branch of the Young Members' Network was launched on Friday the 27th of July in the IAVI headquarters in Merrion Square.

The event offered members, who are under the age of 35, the opportunity to meet and network with peers from throughout the property industry. Due to the success of the event the Young Members Committee, who have been appointed to represent Young Members in the Dublin area, have committed to holding a further social event towards the end of August. All young members will be notified in advance.

The IAVI is also eager to establish Young Member Committees throughout each of the regions. If you are interested in getting involved with the Young Members Initiative please email the IAVI Liaison Officer, Darragh Brennan, at Darragh@iavi.ie.



ABOVE: Mr Alan Cooke and Mr Simon Stokes at the launch of the Young Members' Network



ABOVE: Enjoying themselves at the Young Members launch



RIGHT: Young members networking at the launch

Lisbon Agenda targets EU conveyancing (House and Land Sales) Services Market

TEGoVA (The European Group of Valuers' Associations) have issued a report on the Lisbon Agenda's new focus on conveyancing services. The IAVI is a member of TEGoVA. The first paragraph of the report states "The Lisbon Agenda is a process by which, without resorting to EU legislation, the Commission, Parliament and member states all work together to set policies to make the EU the most competitive knowledge-based economy in the world. For the first time the Agenda is focusing on real estate, specifically the EU conveyancing services market. A study done for the Commission compares the different regimes regulating conveyancing in the EU and concludes that the traditional, highly regulated Latin notary system is by far the most expensive and provides the poorest service and the lowest consumer protection. Member States under this regime will now be encouraged to consider appropriate reforms".

TEGoVA also refer to a report for the European Commission (the ZERP report) which is very critical of the traditional Latin notary system. They state that although this is not welcome to TEGoVA's member, the Conseil Supérieur du Notariat, it's important for TEGoVA to be aware of what is going on, because today the focus is on conveyancing, but tomorrow it could be valuation.

Unfortunately, the report is not available on the TEGoVA website but a copy can be emailed to you if you send an email to valerie@iavi.ie. It is a very lengthy report.

CEN European Guidelines for Estate Agents

The final scheduled meeting at which the proposed European Guidelines for Estate Agents will be considered is scheduled for Vienna in early September and once again IAVI, IPAV and SCS will jointly represent Ireland. This is the 8th series of two-day meetings and great progress has been made towards what will initially emerge as a voluntary code but which, with time, may evolve into something with a more mandatory element.

So far, the Irish negotiating team has managed to limit to three the apparent conflicts between the draft Guidelines and existing practice in Ireland or proposed practice changes under the new legislation, which is to be published this year and should take effect for the 2009 licensing period. This was quite an achievement considering how much the Irish laws of agency and contract differ from those in most EU countries.

The areas of conflict, on which a deviation from the European Standard will be sought, relate to: -

- The European Standard requirement that a client must sign the agency contract is not mirrored in Irish law;

- The European Standard requires the agent to secure actual evidence of a seller's ownership. Notwithstanding Anti Money Laundering legislation, Irish agents are not expected to secure actual evidence of ownership, but merely to satisfy themselves as to that ownership - a requirement that falls short of actual 'evidence' and
- In terms of core competencies, agents in some countries are qualified to advise clients in relation to contracts, whereas this is not the case in Ireland where such advice is rendered by lawyers.

The Guidelines address practice issues, ethics and education/competence and of these, the last mentioned is the area to be addressed most closely in Vienna. It has been agreed that the Irish delegation will seek a minimum educational standard of 120 European Credit Transfers in a property related course. It is expected that some countries (e.g. the U.K.) will argue for no minimum standard and in this context the 120 ECT level does not set the bench mark too high and may be viewed as a reasonable compromise.

FATF Money Laundering Guidance Notes for Estate Agents

IAVI was the only Irish property body involved in discussing these Guidance Notes with the **Financial Action Task Force**, the inter-governmental body established in relation to Money Laundering, as Alan Cooke was part of the team that represented the International Consortium of Real Estate Associations (ICREA) in its discussions with that body. The guidelines were drafted by this ICREA team, which included Canada, Sweden, the United Kingdom and Ireland.

After the initial drafting, the Guidelines were 'translated' into what might be termed 'FATF-ese', a form of English that is somewhat indecipherable to the layman. The Guidance Notes, which **do not replace the national guidance** notes, should be posted shortly on the FATF web site at <http://www.fatf-gafi.org>

In the interim, the IAVI, SCS, IPAV and IPFMA recently made a joint submission to the Irish Department of Finance on the new Money Laundering Bill that extends the Risk-Based approach in suspecting Money Laundering to estate agents, who are already designated under existing legislation. We await the final wording of the Act when passed by the Oireachtas. When this is available, the existing Money Laundering Guidance notes will be revised. The existing notes for Estate Agents in Ireland are available on the members' area of the IAVI web site.



Student Work Experience

In these difficult times, property students find it very difficult to secure positions from which they can gain valuable work experience, which is frequently a formal part of their college course, via the year out in a four-year programme and is in any event a requirement for IAVI membership, in addition to their degree.

Notwithstanding the market slowdown, IAVI members are strongly encouraged to facilitate students on IAVI accredited college courses in their efforts to find worthwhile work experience.

The IAVI, through FIABCI (the International Real Estate Federation) and EPAG (the European Property Agents' Group) will try to point the way for some students to secure such experience in the real estate industry

abroad. Due to cost factors, that is not an ideal scenario, but young people who go abroad will find their CVs enhanced by their foreign experience when their colleagues can only boast of experience in the Irish market.

Meanwhile, in these relatively quiet times, members should have more time to show tomorrow's generation of qualified estate agents how the market works and how estate agency practices should operate. Please do your bit!



LEFT: The full complement of ICREA delegates who attended the final meeting on Wednesday 25th June



Before the study begins:
left to right: Philip Farrell, Michael Boyd and Nanny Lorberbaum, Hawaii at the CIPS course



Delegates at the ICREA meeting