

THE PROPERTY PROFESSIONAL 2014 AUTUMN



IPAV REV CERTIFICATE RECIPIENTS

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Message from the CEO

Dear Member

I would like to firstly congratulate the second group of IPAV members who completed their TEGoVA "Blue Book" course and obtained their Recognised European Valuer Status (REV) and were presented with their certificates during the summer. The recipients (pictured on the front cover and in the centre pages) have further enhanced their skills and now can complete property valuations to "Blue Book" European Valuation Standard the favoured Valuation Standard of the European Union.

In this issue of the Property Professional we profile one of the recipients Mary Halligan in Balbriggan who points out that she has already benefitted from the course by being appointed to the Valuation panel of Fingal County Council. Appointments to such panel are within the grasp of all IPAV members when they undertake the appropriate TEGoVA "Blue Book" course.

We also feature IPAV Galway member David Kennedy who, though confined to a wheelchair following a skiing accident in 2008, does not let this disability impair his enthusiasm for work and life. His approach and attitude are an inspiration to us all.

Well-known property journalist Donal Buckley writes about the rush by investors to complete deals before the end of the year and we welcome the first article by Tommy Barker, Editor of the Property Examiner who offers some useful tips on gaining media exposure for your sales.

Tax advisor Shay O'Brien gives agents 10 tips to consider before the end of the year while Peter Scott of Campion Insurances gives a timely outline to Professional Indemnity cover. And, as the academic year gets underway again, Sara Donaldson, a lecturer in IPAV's Fine & Decorative Arts courses looks at a Sixteenth Century Italian artist who opened up the way for female painters.

I hope you find the articles of interest and relevant to your work and I am always delighted to receive feedback from readers.

Finally, most importantly, don't forget our President's Charity Christmas Lunch on 5th December. If you wish to attend you need to book at IPAV Head Office.

Best wishes,

Patrick Davitt

CEO

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President's Message

Dear Member

Welcome to the Autumn 2014 edition of The Property Professional magazine.

The traditional Autumn surge in activity in the property market is certainly very obvious this year, with virtually every agent throughout the country bemoaning the lack of supply of good quality family houses. While, for a long period, it seemed very clear that a two tier market was emerging between the capital and the rest of the country, the most recent figures published by the CSO show that house prices outside of Dublin are now rising at their fastest rate for seven years, suggesting recovery in the market is no longer confined to the capital.

However, the CSO figures also show that the house values outside of Dublin are still, on average, 44.6 per cent below their 2007 peak. Even in Dublin house prices are, on average, 41 per cent lower than at their 2007 peak, showing that what we are witnessing is a spike in the current recovery cycle rather than a bubble, as is being suggested by some critics.

Addressing the housing shortage will be part of the Government's priority in the October Budget and in this regard, IPAV has made a comprehensive submission to both the Minister for Finance and the Minister for Public Expenditure and Reform, details of which are contained elsewhere in this issue. A particular concern of my own and one which I addressed at the Annual Conference in May is the huge delays in conveyancing which, to me, are not at all necessary if there is a determined effort by the various stakeholders involved. The whole notion of e-conveyancing is now very much on the cards and I look forward to its roll-out nationwide as quickly as possible.

In our Budget submission IPAV has also sought the introduction of measures which would encourage more people to live in rural areas. These include improved broadband and mobile phone services which are still virtually non-existent in many areas and improved public transport services.

In the meantime, it's full steam at IPAV Head Office where there has been major interest again in the Institute's Higher Certificate in Real Estate, run in conjunction with the Institute of Technology, Tallaght. This is, of course, a Level Six course run over two years and is approved by the National Property Services Regulatory Authority for the purpose of obtaining a licence to practice in the property market. It is great to see so many young, and not- so-young people, again planning careers in the property industry and now seeing real opportunities to become involved in many different areas of the industry.

IPAV's courses in the Fine & Decorative Arts need no introduction and Roxane Moorhead and her team of lecturers have this year added two more stimulating series to their programme. I wish all our students the best of luck as they begin their studies and they can rest assured that the Institute will provide a high level of support throughout the academic year.

A one day Lettings' course covering all aspects is planned for Saturday, November 1 when many aspects of this important area of activity will be covered. With one in every five households now renting, this is an area in which an increasing number of members are concentrating their interest.

Over 120 of our members have now acquired Recognised European Valuer (REV) status, thanks to our affiliation to TEGoVA, the European Valuers body and are already seeing the fruits of this by being accepted onto many panels, including those of the local authorities. IPAV will be organising further courses for members and CPD modules for those already qualified in the coming months.

I look forward to meeting you at these seminars and courses in the months ahead.

In the meantime, best wishes and make the most of the revived market place.

Keith Anderson
President

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IPAV proposes innovative Rent-To-Buy scheme to ease housing crisis

By Pat Davitt, IPAV CEO

An innovative Rent-To-Buy Social Housing Scheme is among a set of measures outlined by IPAV in a pre-Budget submission to the Government. Entitled “Working towards an Equitable and Sustainable Property Market” the plan proposes to create speedy access to housing for local authorities without the need for immediate capital to buy them. According to IPAV Chief Executive Pat Davitt, there are currently thousands of owners of non-primary houses who became landlords during the boom and who are no longer interested in being landlords.

He suggests that local authorities should purchase such properties on a Rent-To-Buy Scheme from the private owners at the market price. Rather than pay for the property outright, the local authority would agree to pay the seller the equivalent of a mortgage, including principal and interest on a monthly basis over an agreed period of years, as in a normal mortgage.

During the same period the local authority would operate a rental agreement with the seller whereby the seller would be paid an agreed rent, minus 10 per cent, over the period of the mortgage. The rent would be index-linked to the CPI. The seller of the property would also be given full tax relief on all rent received along the lines of the forestry tax allowance.

“Existing schemes are clearly not effective enough to sort out the huge numbers on local authority waiting lists, currently estimated to be in excess of 90,000,” he said. “The current situation now requires more pro-active intervention by the Government. The advantage of such a scheme is that it would increase the supply of housing and reduce the waiting lists with the local authorities owning the properties at the end of the mortgage term but without having to fork out large amounts of capital initially,” he said. “It would also provide an exit route from the property industry for reluctant and non-compliant landlords.”

Mr Davitt said Budget 2015 was an ideal time for local authorities to embark on such a scheme. It would have a particular attraction outside of Dublin where house prices and rents are still relatively low.

Imaginary Market

In the submission Mr Davitt said the Irish property market is currently between cycles. It is exiting from the recession of the past six years and beginning to grow again. However, due to a large hangover of houses and unfinished estates, many of which are now controlled by

NAMA, we are currently in what could best be described as an “Imaginary Property Market”. This is made up of a spike in the Dublin property market where property is scarce and by contrast, very low and below cost prices in the country where there is a surplus of property in many counties. A recent ESRI report showed that six counties would not need any new houses in the period to 2021 if all vacant properties were in locations that matched the projected population growth. Of course this is not the case.

“What is clear is that, in order for a proper functioning market to be restored, there must be a clear-out as quickly as possible of NAMA houses, either by sale, rent or demolition in some cases. Until the sale price of houses matches the cost of building we will continue to be in an imaginary property market,” he added.

Transport

Due to the shortage of housing within the central area of Dublin, a key objective of Budget 2015 housing policy should be to encourage as many people as possible to live in the outer regions of the Greater Dublin Area (GDA), according to IPAV’s submission. The GDA comprises Fingal, Dún Laoghaire, Counties Kildare, Meath and Wicklow along with Dublin City itself. Between 2006 and 2011 the population of the GDA grew by 9 per cent from 1.66 million to 1.8 million. By far the largest growth occurred in Fingal (14 per cent), Meath (13 per cent) and Kildare (13 per cent)* where clearly many young couples and single people bought houses when they could not afford the property prices of the boom period in Dublin itself. Providing quick and efficient access to place of work and education for these people and encouraging others to follow suit should be a key Government objective.

The level of cycling has increased by up to 40 per cent in many areas and this is due to the number of increases in cycle lanes and the hugely successful Dublin bike scheme. However, for many people cycling is not possible for a variety of reasons and good public transport in and out of the city is critical in encouraging people to live in the outer regions of the GDA.

IPAV supports many of the objectives of the National Transport Authority’s *Integrated Implementation Plan 2013 – 2018*. The plan aims to improve services, including greater integration of all public transport modes through ticketing and fares, customer information, complementary services and improved accessibility.

On buses, the plan proposes more investment in the fleet,

with a continuous programme of vehicle replacement, better bus stops and shelters and more widespread real-time passenger information.

On rail, the programme includes completion of a long-promised city centre resignalling project to relieve a “bottleneck” at Connolly Station and allow more commuter trains to run at peak periods.

In particular IPAV urges, as a matter of priority, the re-opening of the disused Phoenix Park tunnel passenger rail services and the creation of a new station at Cabra. Completed in 1877, the rail connection between Heuston and Connolly crosses over the Liffey and passes under the Phoenix Park in a 692 metre long tunnel. It then continues northwards through Cabra, and runs under the Royal Canal and around the north side of Glasnevin cemetery to Glasnevin junction where the Maynooth line joins it. The line then continues eastwards through Drumcondra Station and onwards to Connolly Station or towards North Wall via North Strand junction.

Opening this line to passenger services would allow daily commuters from the south west of Dublin along with counties Kildare, Laois and North Tipperary to travel directly to Cabra, Connolly Station, Tara St., Pearse St, and Dún Laoghaire each morning with corresponding return trains in the evening. The estimated cost of necessary works in the tunnel is around €12 million, according to the NTA. This, in IPAV’s view is very good value for money when compared to the cost of extending the Luas network for example.

Broadband and mobile phone service

For the working population, the availability of quality high-speed broadband service and mobile phone network is vital for job retention, job creation and social and economic development of the areas, according to IPAV.

High quality broadband and mobile phone networks as opposed to the current weak and intermittent service is a vital area for job retention especially in areas deemed to be non-commercial. These areas are generally small

towns and villages and rural areas where job creation is all about small industries such as home industries or individuals working from home.

The Government’s statement of priorities for the period 2014 to 2016 reaffirmed its commitment to delivering State-led broadband intervention in rural areas. The Government’s

national broadband plan aims to change radically the broadband landscape in Ireland by ensuring high-speed broadband is available to all citizens and businesses. The Government has stated that this is being achieved through measures designed to accelerate commercial investment and the development of State-led intervention for non-commercial areas.

However, the improvements in both the broadband service and mobile phone network are far too slow and piecemeal. A full co-ordinated approach to both utilities needs to be launched by the Government as a matter of urgency. Clearly, in many cases, the connectivity challenges that exist and that cannot and realistically will not be addressed by the commercial sector therefore, must be addressed through State intervention.

It is understood from comments made by the new Minister for Communications, Energy and Natural Resources, Alex White, that a comprehensive mapping exercise is under way in his Department to identify areas that require State intervention. IPAV believes that it is vital that there should be every opportunity for citizens, public representatives and businesses to have an input into the process in order that we get the thing right. The key element of an intervention strategy should be to ensure that all citizens and businesses can access high speed broadband and mobile phone services regardless of location.

“These are just some of the measures which we believe would go some way towards providing short to medium measures to ease the current housing crisis in Dublin and our larger cities,” said Pat Davitt. “Only by all stakeholders in the industry working together can we find real and sustainable solutions to the current crisis. IPAV hopes the measures outlined in *“Working towards an Equitable and Sustainable Property Market”* will make a contribution to the Government’s thinking between now and Budget Day on October 14th.”

IPAV plan to stamp out gazumping

A proposal to end the distasteful practice of gazumping is among those put forward in IPAV’s pre-Budget submission. The recent increase in house prices, while welcome, has seen a noticeable increase in cases of gazumping.

“Many agents are expressing their dissatisfaction with the practice,” said IPAV CEO Pat Davitt. “Gazumping is the practice, whereby the seller, having accepted an offer and agreed a sale on a property from a willing purchaser via their estate agent, then later accepts a higher offer from another bidder.” While gazumping can occur at any time for a number of reasons, it is far more prevalent in a rising market. (Gazundering is more prevalent in a downward market). The estate agent is obliged by law to pass on all offers to the client, the vendor to whom he/she is contractually committed and, therefore this often sees a willing buyer gazumped at the last minute. Estate agents find this practice extremely distasteful and wish to see measures introduced in order to abolish the practice altogether.

When IPAV sat on the review body set up by the former Minister for Justice Mr Michael McDowell TD in 2004 the Institute proposed that a “Sales Contract” should be completed at the time the sale was being agreed by the agent and signed by the purchaser and the vendor, hence binding both parties. This sales contract would be subject to formal contract. This practice is used in other countries, notably South Africa, and works very well.

“If this practice was introduced in Ireland it would put an immediate stop to both practices,” said Pat Davitt. “The property should also be immediately taken off the market once the “Sales Contract” has been signed. The introduction of any such measures needs the co-operation of all stake holders involved in the property sales business and IPAV believes the Government should begin discussions with these stake holders immediately to introduce the above proposal.”

Major interest in IPAV courses

There is major interest this year in IPAV's courses which got underway in early September. The courses are run in association with the Institute of Technology, Tallaght.

The Higher Certificate in Real Estate (Valuation, Sales and Management) is a level 6 award (120 ECTS) on the National Framework of Qualifications developed in collaboration with ITT Dublin and is approved by the National Property Services Regulatory Authority for licensing purposes. It is a challenging two year course that covers issues relating to the valuation, sale and management of residential property.

The course is delivered on Saturdays over two consecutive academic years with the first group due to receive their parchments on 5 November. In addition to formal lectures, students are expected to do home study as directed and maintain a personal learning diary. They are also expected to demonstrate learning through work. For that reason, those who are not already employed in the profession are expected to obtain work experience or to agree to some degree of work shadowing in order to complete the Professional Practice module.

Top-up course

Holders of existing IPAV qualifications, or persons who have completed modules of the programme, are eligible to apply for the Higher Certificate in Real Estate (Valuation, Sales and Management) using a process of RPL (Recognition of Prior Learning). This course is also run in association with ITT Dublin.

Opportunities are available from both courses to study to Degree level 7/8 both in Ireland and the UK. Further details are available on www.ipav.ie or by emailing info@ipav.ie

Rose Property Services celebrates 20 years in business

Rose Property Services, Douglas, Cork recently celebrated 20 years in business. The business first acquired the premises on the main Douglas Road in 1997, three years after the company was founded by Marian Rose. Since then the business has rapidly grown and expanded including through the recent tough recession years. By 2014 the team had grown to nine people and the office was given a major refurbishment to reflect the large number of clients and properties that the agency is now dealing with on a daily basis.

Mark Rose joined the business in 2008 and is committed to driving the business forward with increased growth and new services. The agency is now selling more properties than ever during its 20 years of business and still offers a full letting & management service with nearly 400 prime residential properties under management each month and another 300 new lettings each year.



Mark and Marian Rose at the opening of their new offices



Brefnie O'Kelly outside the DNG offices in Stillorgan

Securing a qualification key to working in property industry

Dublin city centre woman Brefnie O'Kelly completed IPAV's Higher Certificate in Real Estate last year.

A language graduate from Trinity College, Brefnie ran her own events business for many years before starting to "dabble in property". She bought, renovated and sold houses during the boom period but, like many, found herself in negative equity when the recession hit.

“Rather than just turn my back on it, I decided to approach the property industry in a professional way”

she says. When she checked out the process of securing a licence she suddenly discovered that regulation had been introduced a few years before then and she needed a qualification.

“I heard about the IPAV course from my sister and I called into the IPAV office and signed up for the part-time course which was spread over two years.”

Breffnie found the subjects very interesting and useful, notably valuation which opened up a whole new area of interest for her. "The lectures were excellent and I ended up knowing quite a bit about many aspects of property."

Most importantly, the course gave Breffnie a Level 6 award (120 ECTS) on the National Framework of Qualifications which is approved by the National Property Services Regulatory Authority for licensing purposes.

During her second year of study Breffnie did work experience at DNG Stillorgan which she thoroughly enjoyed. After graduating she was offered summer work there and is currently part of the busy team of five that runs the office.

Now with a full licence to practice she has to find a way to combine her working life with family life including looking after her 11-year old daughter.

For Breffnie the IPAV course turned the key to allow her get a professional qualification in the property industry where she hopes to continue working for many years.



Galway IPAV member in charity cycle

Well-known Ballinasloe Auctioneer and rugby enthusiast Pat Finn and IPAV member joined 140 cyclists plus a host of International Rugby Legends in September for a cycle through Ireland from Mizen Head in Cork to Malin Head in Donegal to raise funds for CROSS Charity and Cancer Research.

The Friends of CROSS are a voluntary group, whose purpose is to raise cancer awareness throughout Ireland, with a

special emphasis on cancer education and awareness within the youth community.

A great time was had by all and there was huge support shown by local communities all along the route.

If you would like to support this worthy cause contact Pat on 087 4181100 or log onto www.crosslegends.com.

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Historic Galway auctioneering house now successfully run by a wheelchair - bound IPAV member

By Tim Ryan

Galway IPAV member David Kennedy was an enthusiastic sportsman. He has medals in hurling, Football, rugby and basketball. But in January 2008 he was involved in a serious skiing accident which resulted in him being confined to a wheelchair. Tim Ryan went to meet David in his office and to find out how he has adapted his work schedule.

Like Dublin and Cork, Galway is one of the cities currently experiencing a rise in property prices. Due to a lack of supply, the city is witnessing significant price increases, particularly in the sought after locations around Salthill and Knocknacarra. A recent ESRI study said Galway will need around 2,500 new homes over the next seven years. But there is still little if any sign of developers taking up the challenge.

Houses in the suburb of Knocknacarra which had fallen from a peak of €350,000 to a low of €120,000 during the recession are now fetching €220,000 and rising rapidly. Choice properties on the fashionable Salthill district which have always commanded good prices are now fetching €400,000 to €500,000 when they come on the market. In the eastern side of the city, three-bed semis can still be got for €100,000 or a little more in some areas. There rents command prices of around €720 per calendar month with GMIT and local industries fuelling demand.

IPAV member David Kennedy of well-know firm Joyce, Mackie and Loughed believes the provision of finance for developers is an urgent necessity to allow building to get underway as quickly as possible.

“If something does not happen quickly and incentivize developers to start building we will witness another bubble but not a bank bubble this time but an economic bubble with house prices going through the roof because of a severe shortage of supply,” he says.

Oldest estate agency

Joyce, Mackie and Loughed is one of Galway's oldest estate agencies, dating back to 1904 when it was founded by Raoul Joyce and Robert Mackie. Joyce was the Under-Sheriff for Co. Galway and Mackie was a Stockbroker.

Their first office was located in Victoria Place, just off Eyre Square, and they also held livestock, bloodstock, and sheep sales in their sales yard at Forster Street. The practice was expanded with the recruitment of George Loughed. Loughed was a Land Agent based in Roundstone. When Loughed joined the practice he brought with him extensive records of the estates for which he worked. Loughed was also a founder member of the Irish



David Kennedy in his office in Galway

Auctioneers and Valuers Association which then morphed into the Irish Auctioneers and Valuers Institute, and this organisation has again changed.

P.J. Kennedy joined the practice of Joyce, Mackie & Loughed as it was then, from the Revenue Commissioners, in 1933. He had worked with the Revenue in Dublin and transferred to Galway because of his knowledge of the Irish language. In the early years the firm also operated a Dublin office which was located in Great Brunswick Street. The firm conducted the Ballsbridge Racehorse sales. On the demise of Joyce and Mackie, George Loughed became the proprietor and remained in sole ownership until his demise.

The practice was bought in 1955 from his widow by Paddy Kennedy. Paddy's son, Owen, joined the firm in 1969. He succeeded Paddy on his death in 1971 and Owen has now been joined by his eldest son David. The practice is now located at No. 8, Woodquay. The original telephone number of the business was Galway 78 and is still retained in 562278 despite all the changes that have occurred.

A feature of the practice is the records of various estates they still hold including all the sales records of the Galway-Clifden branch line. The majority of all furniture auctions conducted by them are also still available.

Having completed his school and college years, David himself thought for a while about a career in accountancy but opted instead to work for local firm Clada Minerals where he acted as a representative and ended up as the senior representative for Connaught and beyond.

"I knew I would move back into the auctioneering and estate agency business at some point," says David "but I wanted to get some experience elsewhere first even if it was in a different type of business." The eldest of five, he was the only member of the family to show an interest in continuing on the family tradition in the property industry.

Sporting enthusiast

All throughout his youth, David Kennedy had a major interest in sports and won medals at various levels in football, basketball, rugby and badminton. He also liked to ski and in January 2008 he went on a family skiing holiday to Austria. A competitive skier, David liked to ski from very high altitudes but on one descent, when almost at the bottom of the slope, he had a bad crash into a safety barrier and crushed his spine. He first spent a week in hospital in Austria before being sent back to Dublin where he spent three months in the National Rehabilitation Hospital in Dún Laoghaire.

Apart from the accident trauma itself, the event had profound consequences for the business. Firstly, he had his wife Danielle, a serving Garda, and his three young children to consider. David's father Owen who had been taking a step back had to replace David in the office while the week's paperwork was brought to the NRH every weekend for David to review.

"I was lucky in that ironically my accident co-incided with the recession and I was also able to do a fair bit of work on my cell phone and laptop while in hospital," says David.

Over the years David says the firm was involved in many of the major sales and property deals throughout County Galway including, for example, the sale of the old Clifden railway line. Records of this sale are vitally important at present as the Council plans to develop a cycling trail along the lines of the Greenway in Co Mayo which has proved a tremendous success. In fact much of the firm's business today is concerned with legal work, CPOs, landlord and tenant issues, reviewing old documents and clarifying boundaries and sales details from the past. This involves regular court work and this was a key decision in maintaining an office within a short distance of Galway Court house. Over the years David and his father Owen



An old auction poster on the walls of the offices of Joyce, Mackie & Lougheed.



The former military buildings in Loughrea, Co Galway

have acquired an expertise in this area and often carry out this detailed work on behalf of other estate agents in the county.

But Joyce, Mackie & Lougheed is itself involved in all aspects of the property business including sales and lettings. The firm conducts business throughout the county, including sales and lettings on the four islands off the Galway Coast, Inis Mór, Inis Mean, Inis Thiar and Inis Boffin. Property on the islands can prove very attractive to purchasers because of its remoteness and its scarcity. The last cottage David sold on Inis Mór two years ago was a dilapidated cottage which fetched a price of €50,000, following significant interest. David also rents some apartments on the island for an absentee landlord and current rents are in the range of €650 per month for a two-bed apartment.

"Managing the properties on the island is not as difficult as it may seem," says David. "We have a local lady based there who shows them arranges the keys and keeps an eye on them for us. It's not as if we have to take a boat out every time we have a viewing."

IPAV membership

David finds his membership of IPAV enormously beneficial. As a practical example he points to an email received from Head Office advising of tenders for the sale of the former military buildings in Loughrea. The firm tendered for, and, in due course, was awarded the contract. The entire property was almost 9,000 sq feet and was divided into a number of rooms and offices including an indoor firing range. The property attracted a cross section of interest from the public but was eventually sold at auction for €69,000, over twice the market guide. The purchaser was a neighbouring lady who bought it for her 21 year old niece who needs 24 hour respite care. Her family could not accommodate her needs in their relatively small house with a stairs while the new building provides ample room. Locals are helping to adapt the building to the girl's needs, says David. It is an ideal market solution for the property.

Looking to the future David Kennedy is confident and optimistic. Like many of his colleagues, he predicts a clear two or three tier market developing with very different price trends in urban and rural areas. Further immediate pressure must be brought on the Government and financial institutions to make finance available before the current problem, already in the making, turns into another crisis.



Property investors rush to complete deals before end of 2014

By Donal Buckley

SOME ESTATE AGENTS AND AUCTIONEERS EXPECT TO BE BUSY FOR THE REMAINDER OF THE YEAR AS PRIVATE PROPERTY INVESTORS SEEK TO COMPLETE DEALS BEFORE THE ENDING OF THE CAPITAL GAINS TAX WAIVER ON 31 DECEMBER 2014.

Already the countdown appears to have been one of the factors which has contributed to the rise in values for residential property. At the half year stage, Sherry FitzGerald had identified that investor purchases in the buy-to-let market were at levels not seen since 2003 as these buyers accounted for about 19pc of deals in the first half of this year.

However, another commentator feels that investor interest in buy-to-let residential property may have been even higher and has already peaked as most of the canny, cash rich, bargain hunters have already done their deals and will keep their powder dry during the final days of the CGT waiver buying window.

Dr John McCartney, research director at Savills Ireland, says that investors acquired a relatively high portion of the agency's residential properties or as much as a third of sales in the early part of last year but by the second quarter of this year, their share of the market had fallen to about one quarter of an admittedly larger market.

"Their market share will continue to decline as the Capital Gains Tax exemption for investment properties expires in December," he says in the latest edition of the Irish Bankers Federation Housing Market Monitor.

McCartney also points out that as many as 90pc of investor purchases have been funded by cash but as only a limited number can continue to fund their moves entirely with cash, such diminishing war chests will also exacerbate the decline in investor activity. Furthermore following recent strong price increases, investors are seeing reduced yields and this trend, is another factor he expects will lead to reduced buy-to-let investor purchases next year when the CGT incentive will also have disappeared.

Daft survey

The recent Daft survey of rental trends shows that yields have indeed been falling in a number of urban locations. But not everywhere as, thanks in part to rent increases, yields have risen for some properties, suggesting that there may well be scope for investors who are willing to take risks in areas and properties where yields are rising. This upward trend is not confined only to apartments outside of Dublin but also even to some larger houses, notably in, North County Dublin,

Galway, Limerick and Waterford cities, where yields have risen by between 0.8 and 2.5 percentage points.



The highest yield according to Daft is the 10.6pc gross available for one beds in Limerick City but with the quoted monthly rents for these properties rising by only 2pc during the 12 months to an average of €474 per month, this suggests that such an increased yield may be attributable to softer prices rather than increased rents.

In contrast the second highest yield was in West Dublin where one beds were returning 9.8pc gross but here stronger quoted rents appear to be the key factor as their 17pc rise to €895 during the 12 months was faster than asking prices. Quoted rents also appear to be rising faster than asking prices in Galway City where one beds are yielding 9pc after rents rose 9pc over the year to €635 per month.

Yields of 8pc and over were also seen for one bedroom units in Dublin City Centre, West and South-East Leinster and Waterford City.

Similar 8pc plus yields were also seen for two bedroom units in the regional cities of Cork, Galway and Limerick where rents in all four cities including Waterford rose by about 5pc and where rents for two beds were unchanged.

Surprisingly, considering strong demand for family homes in Dublin and the resulting increase in their prices, three bedroom homes in Dublin City Centre are also yielding 8pc, down 1 percentage point from 2013. This appears to be explained by quoted rents in the area rising more quickly than prices – up 23pc to €1,804 per month for these units.

That was the strongest rental rise recorded by Daft for three bedroom units, followed by Maynooth where three bed rents were up 22pc to €1,227 per month. Increases of 19pc were seen in: Dublin 6 to €1,945; Dublin 9, which includes DCU to €1,396; and Dublin 15 to €1,191. An increase of 18pc to €1,843 was seen in South County Dublin three bed rents where yields at 5.7pc are the lowest available for three beds.

Dublin 4

Daft does not publish a separate yield for Dublin 4 which tops the league for three bed rents at €2,234 per month - up 10pc on the year. But yields for three beds in most parts of Dublin are just below the 6pc level.

Like many surveys these gross yields are purely indicative of locations and types of property. There is a strong likelihood that in fact yields may be much lower as the Daft figures are based on its adverts whereas most landlords are likely to take a bullish approach when quoting rents. In contrast in recent years agents and especially auctioneers have been quoting low guide prices in order to encourage bidding competition between buyers. Consequently the yields in the Daft survey may over estimate the true nature of yields, especially in the markets where prices are rising most rapidly.

Those seeking to get more precise data on rents for different types of homes in each area would be better advised to visit the website of the Private Residential Tenancies Board www.prtb.ie

Not surprisingly given the strength of buyer demand for family houses, the yields for most four and five bedroom houses offer very little attraction for those investors who select their investments on rental income. In most areas of the country yields for five bedroom houses range between 4 and 4.5pc.

On the basis of the Daft data, the lowest yield of 3.7pc was seen for five bedroom houses in South County Dublin where rents for these houses increased by only 5pc to €2,874 over the 12 months to end of July. Surprisingly the Connaught/ Ulster investment market recorded the next lowest yield at 3.9pc but rents for these large houses in Connaught are only €688 per month and those in the three Ulster counties are even lower.

The strongest yields for larger houses are in Limerick City, at 6.3pc on the back of rents of €971 per month; 5.9pc yields in Waterford City where rents increased 21pc to an average of €952 per month. Gross yields of 5pc are indicated for five bedroom houses in both Cork City and Dublin City North.

For four bedroom houses the highest yields are available in Limerick City 5.7pc; Galway City 5.6pc and Cork City 5.3pc. The fact that these are located in cities may be partly due to the higher rents available in cities and partly due to sales of older city houses that may need to be refurbished or converted from bed sits to family houses and so their quoted prices may be below average house values.

A longer view

Of course not all investors buy on the basis of income and, as was seen during the boom, many take a longer view. This is especially true in the current market when prices are well below their peaks, while poor deposit rates combined with the CGT incentive also encourage investors to buy in the expectation of capital appreciation. Furthermore the shortage of family houses has led to the expectation that these are a safer and surer bet as they are more likely to hold their value and offer better prospects for price increases.

Properties which are acquired before the end of this year and held for seven years will not incur the 33pc capital gains tax (CGT) on any increase in the value of the property during those seven years.

For example, say Sean acquires a property and sells it after ten years at a profit of €100,000. If €70,000 of that profit was reflected in rising prices in the first seven years, then 7/10 of the gain or €70,000 is not subject to CGT, thus effectively generating a net tax saving of €23,100.

Investors in Irish commercial property, who include thousands of pension policy holders, are also benefitting from the upturn. This investment sector outperformed the Irish stock market in the second quarter of the year with total returns of 8.5pc during the three months to the end of June according to the IPD/SCSI survey. This was at a time when equities suffered an 8.4pc decline.

When rental and other income is omitted, the values of Irish commercial property grew by 6.5pc for Q2 2014 which was the highest rate of quarterly price increase seen since 2006 and these values have been accelerating over each of the last four quarters.

While Irish equities, helped by dividends, achieved a stronger 28.6pc return over the longer 12 months to the end of June, however, property, with the help of annual rental income, came close with an also strong 26.6pc return.

Private investors are hoping that this upward trend will continue after the CGT incentive expires and for a further seven year, even if not at such momentum.



IPAV National Council member Brian Dempsey making his presentation

IPAV member gives property advice

Throughout May and June, Bank of Ireland, in a bid to promote their interest in the mortgage market, completed a number of nationwide events inviting their current client base, in particular those about to seek a mortgage or with current approval in place to attend.

During these events different speakers came together to offer people advice for the mortgage process, when buying their property or what to do with the property when they get it.

On June 24th, in Bewleys Hotel, Leopardstown, Co. Dublin over 200 invitees attended a presentation given by IPAV Council Member Brian Dempsey of DNG, Dermot Bannon, RTE's *Room to Improve* Architect and Bank of Ireland's Jane Kealy where each gave insider information and general tips on buying property or on how to improve it afterwards.



Ten Tax Tips for Auctioneers to consider by the end of the year

By Shay O'Brien

1. Capital Gains Tax (CGT Exemption) As many IPAV agents will be aware there is a Capital Gains Tax exemption in place whereby if investors retain a property for a minimum of a seven year period, any uplift in the value of the property would be exempt from Capital Gains Tax which is currently 33%. This exemption is due to cease by the end of the year and readers should impress this on potential investors. It is unlikely that the CGT exemption will be extended in the forthcoming budget.

2. Investors who have unused Accelerated Capital Allowances Many IPAV agents may have been involved in the sale of Tax Designated Capital Allowances to investors e.g. Hotels, Nursing Homes etc.

It is important to be aware that if any clients have unused accelerated Capital Allowances, these are essentially being abolished from 1 January 2015. Hence in 2015 any unused accelerated Capital Allowances cannot be used or cannot be carried forward. Readers of this article may be inclined to write to the Minister of Finance if they have any clients impacted by same.

3. Section 23 Section 23 relief is a different type of tax relief than Accelerated Capital Allowances and any historical allowances are still allowable for offset against rental income.

4. Property Charges The last few years have seen a large introduction of property charges e.g. the Non-Principal Private Residence (NPPR), Local Property Tax (LPT) and Household charge.

The Household charge, when introduced in 2012, was set at €100 and is now collectable by the Revenue Commissioners if unpaid.

The NPPR has made headlines in the last few weeks and, as many readers will be aware, there are substantial penalties for non-compliance in this area. IPAV agents should advise their clients to engage with the local authorities as a matter of urgency to avoid any further unnecessary penalties arising.

Compliance also in the area of LPT is essential.

Readers should ensure that their clients are compliant in the area of NPPR, LPT and the Household Charge as non-compliance could delay the sale of the property.

It should be noted that the above property charges are not deductible from rental income receivable at present.



5. Auctioneers' Income Tax Bill Many IPAV agents who are carrying on their auctioneering business as a sole trader or partnership may be inclined to incorporate their business into a limited company. This is attractive, particularly to avail of the lower rate of Corporation Tax as opposed to the 52% - 55% rate of Income Tax.

6. The Tax Return deadline The deadline for the Tax Return is 13 November 2014. When providing a statement of income and expenses to clients, IPAV agents should be aware that they should advise clients of the difference between rent received and the rent receivable on their statements when their clients prepare tax returns. The Revenue Commissioners insist that landlords account for rental income on a receivable basis i.e. what is the landlord entitled to receive under the terms of the lease rather than the amount received.

7. Accidental landlords For any IPAV agents who are letting properties for individuals that have been their principal private residence, they should be aware of the following:

- A. They should advise clients to have Tax Relief at Source (TRS) on the mortgage deactivated as this can only be obtained where one is living in the property as one's principal private residence.
- B. With increasing values of properties, IPAV agents should advise clients that where one is letting out a house there could be a Capital Gains Tax implication in doing so in future sale.

8. HRI There has been little take-up on the Home Improvement Initiative (HRI) but readers should be aware that where they are selling properties to owner occupiers, they advise purchasers of the VAT that can be claimed back in this area. Work that qualifies for the HRI are as follows:

- Kitchens • Painting • Decorating
- Landscaping • Driveways • Extensions

9. Income Tax liabilities There is still an opportunity for IPAV agents to reduce their 2014 Income Tax liabilities by availing of some valuable reliefs as follows:

- A. Film Tax relief. This year represents the last year that individuals can obtain a generous tax relief on investing in a film project. Readers may wish to consider participating in a qualifying film investment as a means of reducing their 2014 Income Tax liability
- B. EIIS. The Employment and Investment Initiative Scheme represents a tax relief in year 1 of 30% of one's investment and after a period of three years there may be an additional 11% tax relief available to investors.
- C. Pension Relief. Pension Relief is always a valuable relief available for reducing one's Income Tax liability. The real benefit for making pension payments up to 13 November 2014 is that IPAV agents would be able to claim such pension relief on their previous tax return i.e. 2013, hence reducing their Income Tax bill for 2013 and also Preliminary Tax requirement for 2014.

Example

Joe Blogs tax bill for 2013 was calculated at €410.

His accountant is also advising him that he also needs to pay Preliminary Tax in the amount of €410 under the 100% rule.

Hence a total payment requirement of €820 is required.

Joe is told that if he puts €1,000 into his pension this reduces the 2013 Income Tax to Zero and also under the 100% rule for Preliminary Tax he can proceed with a Nil submission.

Summary

	No Pension	Pension Payment of €1,000
Income Tax 2013	€410	NIL
Preliminary Tax 2014	€410	NIL
Total Cash Outlay	€820	€1,000

By Joe making a pension contribution of €1,000, it is costing him from a cash flow point of view €180 more paying the pension contribution than discharging the Income Tax due for 2013 and Preliminary tax payment for 2014

10. Property Investments Investors should always obtain proper tax advice on the best tax structure to hold property. Some of the options are as follows:

- Hold the property personally
- Hold the property through a partnership
- Hold the property through a company structure
- Hold the property through a trust type structure

As many IPAV agents will be aware, rates of Income Tax have increased in recent years. Hence advice in this area is essential for any type of new property purchases.

Shay O'Brien is a Tax Manager in PKF O'Connor, Leddy & Holmes Ltd and can be contacted on any of the above on 01-4961444 or s.obrien@pkf.ie



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For references visit:

www.Legalgeneral.ie



Ernest Forde, Hodnett Forde Auctioneers, Emmet Square, Clonakilty, who received a REV Certificate from IPAV President Keith Anderson and John Hockey, European Standards Board of TEGoVA.



Brian Corcoran, Brian J. Corcoran, Auctioneers & Valuers, Old Market St, Sligo receiving his REV Certificate.



Well-known racing commentator and IPAV member Brian Gleeson (right), who was awarded a REV Certificate with his father, Liam Gleeson, Ardmore, Co. Waterford and his young son John Gleeson.

Second IPAV group receives REV Certificates

Membership of TEGoVA ensures consistency of valuation standards right across Europe, irrespective of location, John Hockey, Editor of the European Valuation Standards for TEGoVA, told IPAV members.

Mr Hockey co-presented REV Certificates to the second group of IPAV members in the Institute of Technology, Tallaght along with IPAV President Keith Anderson on Saturday, June 28. He said a major boost for TEGoVA is that the European Union has stated that the REV standard is its preferred standard of valuation.

IPAV's 1,000 members nationwide are the only Valuers' Institute administering the European Valuation Standards of the "Blue Book" in Ireland. The Recognised European Valuation (REV) scheme is designed to maintain, enhance and harmonise valuation standards and the valuation profession in Europe and to provide individual practising valuers in each European member country with a well-defined indicator of qualification and experience.

IPAV currently has 120 REV Valuers trained through a specific valuation course undertaken in ITT.

Since the 1st July last all financial institutions across Europe will have to complete the Commercial Loan Specification form of the European Mortgage Federation written to European Valuation Standards, which are also the favoured Valuation Standards of the European Central Bank and recognised as International Valuation Standards by the European Parliament and the Irish Central Bank.



Adrian Burke, Adrian Burke & Co. Auctioneers, Ballinrobe, Co. Mayo who received a REV Certificate.



Front Row: L-R Eugene Dooley, Paul McCourtney, John Hockey, Editor, European Valuation Standards for TEGoVA, Keith Anderson IPAV President, Pat Davitt IPAV CEO
Row 2: Michael Liston, Louise Kehoe, Michael Boland, Patrick Durcan, Roy Lee, John Farrelly, Michael Mannion, Ernest Forde, Michael Brady, Greville Miley, Michael Lyng, Martin O'Reilly, Gerry Coffey **Row 3:** Tim Ryan, Brian Gleeson, Keith Duffy, Kevin Korrane, Aidan Moffett, John Hodnett, Kenneth Campbell, Sean Reilly Jnr, Daniel Lehane, Michael Connaughton, Mary Halligan, Alan Richardson, Brian Corcoran, Adrian Burke, Karl Fox, John Phelan, Patrick Gallagher



Derry Walsh, Sherry FitzGerald Walsh, Main St., Charleville, Co. Cork and Michael Liston, Liston Auctioneers, Newcastle West, Co. Limerick who both received REV Certificates.



Kenneth Campbell, Campbells Auctioneers, Main St., Dungloe, Co. Donegal, who received a REV Certificate



Keith Duffy, DNG Duffy, Park St., Dundalk, Co. Louth who received a REV Certificate



Michael Boland, DNG Michael Boland, Garden St., Ballina, Co. Mayo who received a REV Certificate.



Sixteenth Century Italian artist who opened the way for female painters

By Sara Donaldson

This autumn, in addition to running its ever-popular Diploma and Certificate courses in the Fine and Decorative Arts, the IPAV is also offering two new courses, in the History of the Visual and Material Culture of Italy and of Holland. In this article, Sara Donaldson investigates a very fine painting from the National Gallery of Ireland. A rare portrait by the renowned female artist Sofonisba Anguissola, who worked in Italy during the Renaissance, it depicts a richly attired young prince, Alessandro Farnese. Women artists in the Renaissance faced many more obstacles than their male peers to becoming professionals. They had to fight for artistic training and for the opportunity to practice their skills. Apprenticeship was outlawed for girls aside from the daughters of artists, who could train in the family workshop. Despite this, a number of women found ways of receiving training privately. Unable to draw from the nude model for reasons of propriety, most women artists concentrated on portraiture and religious subjects where a lack of knowledge of human anatomy was less of an issue. One of the most talented female artists of the Italian High Renaissance was Sofonisba Anguissola (c.1532/33-1625). A highly cultivated and distinguished painter, her professional success opened the way for more women to pursue careers as artists.

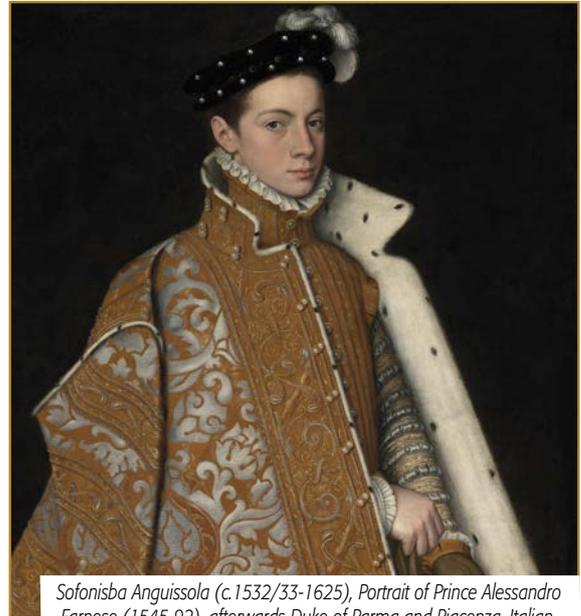
Anguissola was born in Cremona, Lombardy, the eldest of seven children (six girls and one boy) of Amilcare Anguissola and Bianca Ponzoni, who both belonged to the nobility of Cremona. Sofonisba received thorough drawing and painting lessons from Bernardino Campi and Bernardino Gatti in Cremona and then worked as an artist for the Gonzaga family in Mantua. Her father cleverly circulated her work among many well-connected people, including Michelangelo, who commented on Sofonisba's drawing skills. This strategy of presenting his eldest daughter's paintings as gifts to the great and powerful resulted in a significant return for the whole

Anguissola family.

In 1559 Sofonisba received an invitation from the Spanish court in Madrid to serve as court painter and lady-in-waiting or 'dama' to King Philip II's third wife, Isabelle de Valois, daughter of Henry II and Catherine de Medici. In addition to her role as portraitist to the royal family, Anguissola's varied duties as lady-in-waiting included teaching the queen to draw and paint, choosing fabrics and designing dresses for her, all of which suggests that as well as being a salaried artist in the queen's employment, Anguissola was also seen as a well-born, multi-talented companion for Isabella. Such a position was both glamorous and demanding, yet she served in this role from 1559 until 1573, staying on long after the queen's death in 1568. Sofonisba had become one of Isabella's favourites and as such was handsomely rewarded: she received an annual stipend and expenses during her employment, a dowry for the aristocratic husband that Philip II found for her, and, on her retirement, a generous pension which allowed her to settle in Palermo. In later life she was widowed, remarried, and continued to paint. She died in Palermo in 1625 at a ripe old age, almost blind but mentally alert.

Spanish Court

The Spanish court dominated Western Europe politically and culturally at this time. After its rise to European hegemony at the beginning of the sixteenth century, Spain and its severe court tastes influenced dress in Europe for over a



Sofonisba Anguissola (c.1532/33-1625), *Portrait of Prince Alessandro Farnese (1545-92), afterwards Duke of Parma and Piacenza, Italian, c.1560. Oil on canvas, Photo courtesy of the National Gallery of Ireland*

hundred years. Court portraits required specific details in order to identify the sitter and establish his or her social standing. Details of dress and jewellery had to be portrayed accurately in order to convey the correct message, and the depiction of clothing acquired great social importance. After 1550 it became a matter of social survival and honour for men to demonstrate their loyalty to the Spanish empire through formal clothing, which could speak volumes about status, political factions, local identity and personal individuality.

In the late 16th century, the Spanish influence on male costume focused mainly on the slim shape of garments and the close-fitted tailoring of each piece of an ensemble. In Italy, male clothing became very rich, with precious fabrics, braid, and gold and silver embroidery favoured by the nobility. This portrait of the Italian Prince Alessandro Farnese (1545-1592), was painted in about 1560 in Madrid, shortly after Anguissola had taken up her position at the royal court there. Prince Farnese was the son of the Duke of Parma, Ottavio Farnese, and the grandson of Emperor Charles V. He grew up in Spain and was about fifteen years old when he posed for this portrait. A favourite nephew of King

New courses from IPAV's Fine & Decorative Arts

Two new and exciting lecture series have been added to IPAV's existing range of courses in the Fine & Decorative Arts this Autumn. The lectures and courses continue to be popular with IPAV members and members of their staff along with members of the general public.

A Fine & Decorative Arts Journey through Holland will give a deep insight into the country's history. Dutch painting of the 17th Century remains among the most popular and admired schools in the western world. The lectures will embrace Dutch art of the golden age, from landscape to portraiture and seascapes as well as innovations in printmaking.

The 16 week lecture series will consist of eight weeks before and after Christmas and will take place at IPAV Head Office on Monday evenings. It is proposed that an intensive tour of Holland will take place in September 2015.

The second course is a 16 week *Italian Lecture Series*. Lectures will concentrate on the various aspects of the Renaissance, such as the High Renaissance paintings in the cities of Florence and Rome, sculpture, architecture, dress, fashion and the Renaissance home.

The lectures will also consist of eight weeks before and after Christmas and will take place at IPAV Head Office on Thursday of each week.

The two new courses are among the wide range of courses IPAV is now offering for the 2014/2015 academic year.

IPAV's *Diploma in the Fine & Decorative Arts*, run in association with the Irish Antique Dealers Association, is a full-time course which runs three days per week for one academic year.

The *Certificate Course* is part-time and runs one evening per week from October to May and commenced on October 7.

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Further information and application forms are also available from:

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Philip II of Spain, he later became Duke of Parma and Piacenza and led a significant military and diplomatic career in both Spain and the Netherlands.

Anguissola has recorded every nuance of Farnese's sumptuous, elegant costume with painstaking attention to detail. Draped over the teenage prince's shoulders is a buff chamois leather cape, worked in the style of the Moorish leather workers of Spain. It is finely embroidered with gold and silver wire so that the foliate design is raised and coloured. The cape is trimmed with pearls and lined with ermine fur. Ermine, the white winter coat of the stoat or weasel, was considered the softest and finest of all animal furs at this time. Reserved for the use of royalty and nobility, ermine were bred specifically for their coats. A defining characteristic of ermine is the dramatic black spots which contrast against the white: the spots are actually the tips of the tails of the animals, many of which were required to make the lining of a cape like this one.

Farnese wears a matching leather doublet (in Italian, a giubbone) trimmed with pearls and slashed at the sleeves, over a white shirt with small goffered or fluted ruffs at the collar and cuffs. His black velvet hat is trimmed with pearls, gems and ostrich feathers. On his

upper legs he wears round trunk hose, whose shape was achieved by stuffing or padding. Their embroidered satin bands part slightly to disclose a rich satin lining. Farnese rests one leather-gloved hand on the hilt of his sword: swords and armour were often included in portraits of men involved in military commands. Despite Farnese's youth in his portrait, his sword implies his future military career. Though Anguissola's portrait is not full-length, it includes a glimpse of Farnese's tight white stockings. On his feet he most likely wore the flat square-toed shoes, known in Italy as *scarpe punta quadrata*, which were in vogue for men across Europe at this time.

Innovative approach

Anguissola's immense fame, established during her lifetime, is owed in part to her highly innovative approach to the art of portraiture which, in her hands, achieved a pioneering informality. While capturing the exact likenesses and penetrating the personalities of her sitters, she also recorded their fine costumes in minute detail. Noted for her expertise in rendering clothing, fabric, jewellery, and lace, in the mid-1560s it was remarked upon that "all the attention to costume detail was Anguissola's trademark". While Farnese's clothing is the shining

light in this portrait, his pose and facial expression project an air of dignity and composure that go beyond his years.

This portrait was one of the first paintings to enter the permanent collection of the National Gallery of Ireland. It was purchased one hundred and fifty years ago in 1864, the year the Gallery opened its doors on Merrion Square. Bought by George Mulvany, the Gallery's first Director, it was a remarkably astute purchase, coming early in the formation of the collection: it was only the 17th painting to be catalogued. Mulvany seized upon the opportunity to acquire a rare portrait by Sofonsiba Anguissola, whose works were already hard to come by in the mid-nineteenth century, so that it could be enjoyed by visitors to the National Gallery of Ireland for many generations to come.

Sources of Information:

- *Italian Women Artists from Renaissance to Baroque*, National Museum of Women in the Arts, Washington DC, 2007
- Frances Borzello, *A World of Our Own. Women as Artists*, London, 2000

Sara Donaldson lectures in the History of Art, Design, Costume and Fashion and in Visual Culture at Griffith College Dublin and on the Fine and Decorative Arts Courses at IPAV.

Think Local, Go Global!

IRISH EXAMINER PROPERTY EDITOR TOMMY BARKER SAYS DOORS ARE OPEN FOR PROPERTY STORIES - AND MEDIA EXPOSURE FOR ESTATE AGENTS - IF YOU CAN, AHEM, AVOID CLICHÉS LIKE THE PLAGUE

Like pictures, every house has a tale to tell - and like pictures, some might even be worth a thousand words. So, let them talk. If their tale is interesting enough, tall enough, quirky enough (or even morbid enough,) tell the world about them, via the web, newspapers, and social media. If you are the quick-witted, lippy type, become a blogger. The world just might like you, especially if you tell it like it really is.

The old expression “a newspaper never refused ink” is as true as it ever was - every day’s newspapers are packed with stories, and there’s a constant need for a fresh stream of accounts, comment, gossip, features and yarns, day-in, day-out, week-in, week-out.

The same maxim is, effectively, just as valid across inkless social media, from busy-body bloggers to Twitter and Facebook: they’re a potent mix of publishing and publicity outlets, out there in the ether and motor-sized ‘word of mouth,’ only with the potential to engage with readers and viewers anywhere around the world....if you know how to catch their attention.

Attention Seeking

This summer past, attention-grabber and top broadcaster Graham Norton followed up on a passing promise he’d made to neighbours selling their home near his Irish summer retreat, saying he would give them a plug.

True to his word, he used his Twitter account to mention the property, in the coastal wilds of West Cork. It’s the sort of remote peninsula place where (back in the old days) a ‘For Sale’ board might have only been spotted by a few hundred passers-by, and that would be in a fine, mist-free summer. Thanks to Norton having a ‘mere’ 800,000 Twitter followers, tens of thousands of people got to hear of the house at Ahakista on the ridiculously scenic Sheep’s Head peninsula.

Dozens of his fans re-tweeted and favourited it and over 5,500 of his followers were curious enough to follow the link that Norton had so-kindly posted to the Skibbereen estate agent’s own website, within the first two days alone of it going on-line (the previous day, the self-same site had received just 31 hits.)

And, also by comparison, the same house had only reached 2,370 hits on Daft.ie by September, after two months. However, the asking price of €1.2m might have had something to do with it!

Next, that single tweet got picked up almost immediately by other social and traditional media, and as a direct result the pretty posh peninsula property was given massive exposure on-line, and in print media,

with both the Irish Examiner and Irish Independent first into the fray in both electronic and traditional media, followed by UK papers too - handily, as British buyers are expected to stump up the cash for this big buy.

It grew more legs: Norton’s home patch of Ahakista even became the sort of place that goes on giving, to the media at least. A small bit more newspaper (by yours truly) digging confirmed that another celeb who’d just bought a €500,000 home there was none other than Harry Shearer, a voice artist for TV’s the Simpsons, voicing Principal Skinner and Mr Burns amongst others, at \$400,000 per episode.

That second ‘celeb’ angle brought a further round of stories, and a photographer from the *Irish Examiner*, and guess what? The house just up for sale that week (and its famous neighbours) ended up getting four pages of editorial spread. And lots of ensuing Hello magazine-like gossip, too.

OK, back in the slightly more real world - where Graham Norton isn’t tweeting about the bundle of bungalows and three-bed semis you have to shift, and the sound of the Simpsons is only coming from the telly in the corner - what to do to catch a bit of interest?

Well, first and foremost, any personal angle is always of interest to the media - because it’s of interest to readers who might be buyers or who will know someone looking for just the right pad.

Just as this article was being penned for IPAV, the Irish Independent had a page1 story about rock star and bassist Rick Savage of Def Leppard selling his Wicklow home (OK, that’s sort of standard media interest stuff) and on page 2 they had a story about a former asylum’s manager’s home getting a price drop. The previous day, *The Irish Times* had a story about the late Dublin publican Ned Finnegan’s city home offered at €2m, and on the Saturday, the *Irish Examiner’s Property and Interiors* supplement had a piece about former Fine Gael Tánaiste Peter Barry putting his holiday home on the market. Also featured in the same Examiner edition was the luxury city home of a well-known car dealer, for a €3.8 million. A different sort of estate, clearly, and quite obviously famous and/or rich does the trick for true-to-type property hacks!!



Advertising through tweeting!

Self-Advertising through the power of Twitter was the topic of a Breakfast Briefing Seminar for IPAV members with presenter Conor Pope of The Irish Time on Tuesday, 9 September. As well as being a print journalist, Conor is a prolific tweeter and has close to 40,000 followers on the social network.

At the Seminar he spoke about the potential and the pitfalls associated with Twitter and shared tips on how and when to write the perfect tweet in order to engage existing followers and to attract new ones.

Photography: Brian Dempsey



Conor Pope talks to IPAV members



At the IPAV Seminar on tweeting were (l-r): Conor Pope, Aideen Ennis, MyHome.ie, Keith Anderson, IPAV President and Peter Dargan, Advertising Manager, The Irish Times.



Ditto with the *Sunday Times*: each weekend they link a house with a vendor - who is not always rich, or famous. They just have to have a story to tell, a renovation they're proud of, a skeleton they unearthed and a property worth photographing.

Think Local, go Global

Tip: photos really matter.

It's not just national newspapers and their property supplements that are always scouting for a story and images with a property twist.

Most provincial papers, and freesheets too, have property pages, open for ads naturally, and usually accompanying editorial too, in print and on-line. If you are already an advertiser, you've one foot in the door for stories to get airing, perhaps, if you make them engaging enough.

With the scope of on-line editions to go viral (or at least beyond the parish,) why not make your editorial pitch as interesting as you can, and get it gaining legs on the web and other social media traction-line? IPAV's smart September breakfast seminar briefing on using Twitter Get your Name Out There covered this in more depth, with tips and caveats on libel - and how not to end up on the front page of a paper for flippantly saying the wrong thing.

But do positively expose your name, your brand and your firm's ability to sell - and to tell true property tales. Be smart, be funny, be insightful, be honest.



Have you got the most boring house in Christendom/your patch of suburbia on your books to shift? Persuade your vendors to let you try a catch-line like 'bring hammer and nails: photos and prints on the walls is all this house needs to complete the picture and become your home'. It's quotable, positive, will be talked about- and it pips the cliché about being 'a blank canvas'.

If you get good at this sort of thing, media will love it: you could even start your own blog or comment-line, like New York's Gabby Cabby who gets lots and lots of Irish radio air time. Anyone for the blogging handle TallStoreys?

What about historical links or geographical features? Instead of the usual 'distant sea views', line, try something like: 'you can smell the sea, you can even hear it but you can't really see it. That would cost extra'. It will raise a smile, and get passed on.

What about previous owners? Last prices achieved? Famous neighbours? Who lives down the road, up the road or grew up on the road? Navan, with its plethora of connected comedians and Pierce Brosnan links, has to be good for regular property profiles or sales pitches: 'My Bond is, My Word!' says local agent?

Oh, and a last word, think pictures. Really, really good ones. Otherwise, you could end up on sites like terriblerealestatephotos.com, or twitter @badrealtyphotos.

Relax, they're American. Mostly. There's only one Irish one listed there for laughs....is it yours? Have a peep.

North Dublin agent making the most of the new post-recession era

NORTH DUBLIN IPAV ESTATE AGENT MARY HALLIGAN WAS AMONG THE RECENT GROUP OF IPAV MEMBERS TO BE AWARDED A RECOGNISED EUROPEAN VALUER ((REV) CERTIFICATE. PROPERTY PROFESSIONAL EDITOR TIM RYAN WENT TO BALBRIGGAN TO MEET HER.

The North Dublin Town of Balbriggan is the fastest growing electoral area in Ireland according to the 2011 census having doubled its population over the previous 10 years to just under 20,000 today. Back in 1837, Lewis's Topographical Directory of Ireland referred to Balbriggan as "a sea-port, market, and post-village, and a chapelry, in the parish and barony of Balrothery, county of Dublin, containing 3016 inhabitants. The inhabitants are partly employed in the fishery, but principally in the manufacture of cotton; there are two large factories, the machinery of which is worked by steam-engines and water-wheels of the aggregate power of 84 horses, giving motion to 7500 spindles, and spinning upon the average about 7,400 lb (3,356.58 kg). of cotton yarn per week..."

Today, however, the town is largely a commuter town for Dublin and the nearby towns of Drogheda and Dundalk. Its closeness to the M1 and the Border makes it an ideal location for people who need to travel north and south for work.

O'Connor Property Consultants, based at 7 - 9 Dublin Street, are the longest established estate agents in Balbriggan and have over 40 years experience in the property business. It was originally set up by J.J. O'Connor who also dealt in furniture and fine art, as was common at the time. The firm later went through a number of different phases and when the late David O'Connor died in 2008, Mary Halligan was approached to manage the firm, an offer which she accepted.

Mary Halligan was born in Co Louth to a well-known family. Her grand-mother, Kate Dempsey, was the first female councillor ever elected to Drogheda Town Council and Kate's son, Raymond Dempsey, later served as Mayor of the town. Mary's mother, Gertie Shields also served as Chair of Balbriggan Town Council and was the



Mary Halligan who received a Recognised European Valuer (REV) Certificate on June 28 at a function in the Institute of Technology, Tallaght.

founder of Mothers Against Drunk Driving (MADD). In December 2013 Gertie was presented with the Supreme Award at the Road Safety Authority (RSA) 'Leading Lights in Road Safety' Awards. The awards celebrate the outstanding efforts of individuals and groups who help promote road safety in their communities.

Having studied Information Technology in the Engineering Dept at Trinity College, Mary Halligan first went to work in the engineering section of the ESB. However, she developed an interest in property and went to work for a time at well-known Dublin firm Morrisseys on Dublin's Lower Merrion St. Later she was recruited by Fintan Gunne to work in their expanding business and Mary spent the next 22 years working in various offices around Dublin and the north-east before being appointed Regional Director based in the Drogheda Office. This branch was the firm's consistent best performer for many years.

When Gunnes was later sold to investors, Mary Halligan was approached by the O'Connor family and asked to run the family business which she did for a time before finally acquiring it in 2011. Having survived the recession, the firm is now beginning to grow again and is consistently the top performer among Balbriggan agents in terms of sales, instructions and viewings. Mary is supported in the office by her barrister husband Michael, a former Town Planner and Senior Inspector with An Bord Pleanála. Joanne Keating and Laura Kenny complete the office team.



Rockel House, Skerries, Co. Dublin

"We appreciate that viewings and valuations have to fit in with our customers' busy lifestyles," says Mary. "We understand the value of conducting viewing outside of standard working hours to accommodate the widest possible spectrum of tenants and prospective purchasers. Through the combined skills in estate agency and planning we bring added value to the marketing and sales process. Prospective purchasers will want to explore options for other uses and O'Connor Property with extensive high level real estate and town planning expertise are uniquely placed to provide this service."

Like many estate agents in the Greater Dublin Area, Mary's problem today is lack of supply. "We have buyers for houses but there simply is no supply and very few are being built in the area," she says. A typical three-bedroom semi will fetch around €150,000 at present depending on condition. However Balbriggan is a seaside town and houses with a good view of the sea command top prices. Recently Mary sold a choice home in nearby Skerries, for €950,000.

I wish to pay tribute to our new CEO Pat Davitt who has brought the Institute to a new place," she says. She points to the very good internal communications system now in operation and said, as an example, she recently got on the Valuation panel of Fingal Council as a result of one such internal email. "Only for the email from IPAV I would have missed out on this" she says.

Mary finds her membership of IPAV hugely beneficial and was delighted to undertake the recent REV course which has opened up new doors for her business.

Mary herself, along with Michael and her family, live in one of Balbriggan's oldest houses which dates back some 250 years and has a wonderful seaview. Their daughter Rachel and son Ross both have law degrees and work in offices in Dublin city centre. Rachel was for a time an international tennis player but in the end opted for the legal route.

When not working herself, Mary Halligan, who is a member of Balbriggan Golf Club, enjoys a game of golf and also the occasional game of tennis.

President's Charity Christmas Lunch 2014

*The IPAV President's Charity
Christmas Lunch takes place
on Friday,
5th December in Dublin.*

*For further details and
to book you place*

email: info@ipav.ie

or

telephone: 01 678 5685

Call for extension of five-year planning permission

A call for multiple extensions of a five-year planning permission was made in the Seanad during the summer by Kerry Fianna Fáil Senator Mark Daly.

If planning permission lapses, the cost of reinstating it is quite large, he said. "There is always the issue of whether it will be granted for the same site again. Is there any proposal by the Government to amend the legislation by ministerial order or Act of the Oireachtas to allow for multiple extensions of a five-year planning permission?"

Replying on behalf of the Housing Minister, Minister Alex White said the Minister considers it appropriate that planning permissions be subject to a time restriction to ensure that only bona fide developments likely to proceed to construction in the short to medium term are submitted for planning approval.

"Accordingly, the Planning and Development Act 2000, as amended, provides that, unless otherwise specified, the duration of a permission is restricted to a period of five years beginning on the date of the granting of permission," he said. "This five-year limitation, which is aimed at ensuring regulated development control, is considered reasonable in the circumstances."

Minister White said Section 28 of the Planning and Development (Amendment) Act 2010 amended section 42 of the 2000 Act to provide that the duration of a permission may be extended for a further five-year period where substantial works have not been carried out or where the development has not even commenced in cases where the planning authority is satisfied that there were factors of a commercial, economic or technical nature beyond the control of the applicant which substantially militated against either the commencement of development or the carrying out of substantial works on the development in the original five-year timeframe.

"This provision is, however, subject to the submission of an application for extension of the duration of permission prior to the expiry of the original permission," he said. "Where an application is submitted, the planning authority must be satisfied that there have been no significant changes in the development objectives in the local development plan or in regional development objectives in the relevant regional planning guidelines since the date of the original permission such that development would no longer be consistent with the proper planning and sustainable development of the area.



IPAV CEO makes presentation to Oireachtas Committee

By Pat Davitt, IPAV CEO

IPAV CEO made a presentation to the Joint Oireachtas Committee on Finance and Public Expenditure and Reform on the Institute's submission on Budget 2015 on July 16. In his opening remarks, Mr Davitt said IPAV believed strongly in the need for the creation of a National Property Authority. That, he said, should consist of representatives of all the relevant stakeholders and would advise the Minister and Government of the day.

"The lack of such advice was a prime cause of the property boom and bust, and immediate steps should be taken to ensure that never happens again," he said. "It is important to have a body of such experts on hand to identify and address problems and provide advice and guidelines to policy makers."

He also called for the introduction of a vacant site levy pointing to the fact that there are approximately 155 acres of land and some 300 vacant sites between Dublin's canals that could be used for building residential and commercial property. "While NAMA and others have announced plans to restart various programmes, the introduction of a vacant site levy in Budget 2015 would propel this drive to increase the supply of housing in areas where it is most needed," he said.

Regarding NAMA property sales, Mr Davitt said NAMA is currently selling off large numbers of apartments in huge tranches. While this might have been understandable in the early days of the property downturn, IPAV believes it now makes sense to sell these units individually or in small lots. That would have the double advantage of securing more money per unit for the Exchequer and give young people and investors the opportunity to buy directly from NAMA, thereby cutting out the middleman, which is generally some foreign investment vehicle looking to make a quick profit.

Asked by Committee Chairman Ciarán Lynch to expand on this idea, Mr Davitt said if someone buys a property and its value goes up by 5% or 10%, only one person is making money. "However," he continued, "if the property is sold to a builder, the builder will build and many people will be able to take advantage of the site. In the event that the sites are brought back into production and are being built on, speculators will not buy such sites as are offered for sale as they know there will be a levy where they fail to build or decide to build within a year. I did a presentation for the Lord Mayor of Dublin some time ago and a builder in attendance recommended that the size of the levy should be between 20% and 50%. That is probably a bit high and a great deal more than the Lord Mayor was considering. However, 3% or 5% will automatically mean that people will not buy the sites. Builders will get to buy the properties at lower prices."



The IPAV CEO said the planning process clearly needs to be more flexible, notably with regard to getting the construction sector moving again. Most young couples, he said, like to buy houses eventually rather than apartments in Ireland and it seems logical that many of the planning permissions previously granted for apartments must be converted to housing.

"IPAV believes a fast-track approach should be developed for all local authorities," he said. "We can look to the planning process in greater London where planning applications have to be validated inside 14 days, with a further 30 days for planning."

Universal mortgage insurance

Regarding universal mortgage insurance, some measures are clearly needed to help first-time buyers get on the property ladder, he said. "Mortgage lenders are currently under pressure to rebuild profitability and reduce the size of their balance sheets," he said. "Hence, there is no incentive to engage in high loan to value, LTV, lending. IPAV believes the creation of a universal mortgage insurance model would provide an incentive for such lenders to engage in high level LTV loans and to provide relatively low interest loans to borrowers. This model already operates in many other countries, including the United Kingdom, and we believe the Government should give it a high priority in the October budget."

Questioned on the issue by Sinn Féin's Finance Spokesman Pearse Doherty, Mr Davitt said the insurance is to mitigate against high lending. "Based on figures from a report launched recently, between 2001 and 2011 the largest mortgage insurer in Ireland had approximately 70,000 high loan to value ratio loans with some of the main lenders," he said. "More than €70 million in claims have been paid to lenders to date. These 70,000 loans represent approximately 5.5% of the overall residential mortgages taken out in Ireland during the period. If one extrapolates the figures and looks at the basis of a universal mortgage scheme, which is what we are discussing, it could reduce by approximately €300 million the liability of these mortgages on a long-term basis. If any percentage over 75% exists in Ireland today, and assuming one in three mortgages go bad or default at some point, it could reduce this by a further €1.7 billion over the life of those mortgages. This has many

Property Lettings Refresher Day

IPAV is organising a one-day Property Lettings Refresher Day to be held on
Saturday, 1st November 2014 at IPAV HQ, 129 Lower Baggot Street

Registration is at 9am, with the first lecture commencing at 9.30am.

The Seminar will finish at 4.30pm.

Topics to be discussed include the operation of the Private Residential Tenancies Board (PRTB), Taxation issues, Commercial lettings, the new Housing Assistance Payment scheme (HAP) and the New Housing Standards for the Private Rented Sector. To book your place email info@ipav.ie or phone 01 678 5685 by 5pm on Friday 17 October. The cost of the Seminar is €150 per person which includes lunch and tea/coffee.



T: +353 1 678 5685 W: www.ipav.ie



advantages, including the cost of capital to the banks, because they would not have high loan to value ratios of 95%, as opposed to what they would have if there was no insurance to buy it.”

With regard to renting directly, Mr Davitt said the Rent-A-Room scheme has been reasonably successful but it needs to be extended. “Currently, if a property owner earns €10,100 or more in gross income, the whole amount of income is taxed,” he said. “It would make far better sense if only the excess above €10,100 was liable for tax.”

Questioned by the Chairman as to why the Rent-to-Buy scheme had not taken off, Mr Davitt said it did not take off over the last couple of years as rents were quite low at that stage. It was only recently that rents have increased.

“At the start of the recession, the scheme was put forward by many builders on the basis that people would buy a property having rented it for so many years,” he said. There was an agreed rent for the time. What many people found was that the price of the property went down during the term they were renting it. At that time, when the three or four years moved on, they could buy properties cheaper than they had agreed in the rent-to-buy scheme. That is what they did. Even though some people were tied into contracts they could not and did not complete them. They bought other, cheaper properties.”

Cost of construction

Questioned by Trinity College Senator Seán Barrett as to why construction costs in Ireland are still higher than in Germany, Mr Davitt said it is something that is mystifying. “If looking at a survey, most auctioneers would look at a survey of three-bedroom properties. The price, value and cost to build such a property in 2006 would be anything from €70 to €100 per square foot. That price has not changed today. Moreover, this is not due to wages in total but to the actual cost of the products one uses which appear not to have reduced at all. That building cost is there and it remains quite high.

“I acknowledge that much of the value and price of property in 2006 was way above builders’ profit on top of the actual cost of building houses. At present however, if for example one takes a three-bedroom semi-detached house in Longford, for which one might get €60,000 or €70,000, there is no way in which a builder could build one of those houses for that sort of money. Until such time as builders can build properties and get a reasonable amount of money for what they build, such properties will not be built. Consequently, what will happen one day is that when the existing stock of property runs out, the property market will move on quite rapidly and its price will move considerably.”

Understanding your Professional Indemnity Cover

By Peter Scott, *Campion Insurance*

This article helps us to understand some of the terms and covers under a typical professional indemnity policy.

What is professional indemnity or PI Insurance (PII)?

Professional indemnity insurance covers you or your business against claims relating to, errors, negligence, mistakes and breaches of professional duty.

How much cover do I need?

Only you can assess the amount of cover (limit of indemnity) appropriate for your business. In determining how much cover you need, it is important that a realistic view is taken of the potential damages and legal costs for which your business could become liable. Being under-insured can be financially disastrous.

The PSRA require you to have at least twice your previous year's fee income and a minimum of €500,000 as part of their licencing requirements.

If you are in any doubt, always insure for higher than you think you may need and if you still have concerns, we recommend that you consult a solicitor for legal advice as to the likely extent of your legal liabilities.

What is the limit of indemnity?

This is the maximum amount of money that a Professional Indemnity policy will pay out. It is often expressed as either 'in the aggregate' or 'any one claim'. Please see below (What is in the 'aggregate' or 'any one claim' basis?) for further information on the basis of cover.

What is in the 'aggregate' or 'any one claim' basis?

When arranging your Professional Indemnity Insurance it is important to understand that there are two fundamental ways in which the cover can be arranged. This can be crucial when you are faced with a large or multiple claims. The two ways of arranging the cover are; Aggregate basis and Any One Claim basis. As you can see from details below, with Aggregate basis your claims are all paid out of the indemnity limit whereas with any one Claim you are entitled to the full indemnity limit for each and every claim.

The PSRA require that your policy is written on the 'any one claim' basis, with defence costs in addition

AGGREGATE

Each claim is paid out of the specified Indemnity limit and reduces the amount available for subsequent claims.

ANY ONE CLAIM

For every valid claim that you make during the year, the full indemnity limit applies to each and every claim.

If you have a number of claims in a year, the Aggregate basis could mean that you run out of cover or that you do not have enough cover left in order to meet a claim in full. However, with the Any one Claim basis you do not have this issue as all valid claims would be met up to the indemnity limit.

What are costs and expenses in addition?

This simply means that any costs and expenses incurred in investigating or representing you would be paid in addition to the amount of damages (if any) awarded to a third party, and furthermore that the costs and expenses will not be counted towards the limit of indemnity.

What is the retroactive date?

A Retroactive date means that a Professional Indemnity policy can provide cover for work you have done in the past.

There are two dates that are relevant for a Professional Indemnity policy. The first is the inception date (or renewal date) of the policy. This is the start date of the policy period. The second is the Retroactive date, being the date that cover operates back to.

To explain how the cover operates, it is important to understand that Professional Indemnity policies are written on what is called a 'claims made' basis. This means that they provide cover for claims made against you during the policy period (i.e. after the inception or renewal date) that relate to work that you have done at any time after the Retroactive date.

For example; a company has a professional indemnity policy that they renew on the 1st January 2010. The policy has a Retroactive date of 1st January 2002. They would be covered for claims made against them after 1st January 2010 for any work that they have done since 1st January 2002.

How do I determine the relevant retroactive date?

Normally the Retroactive date is set to correspond with the date that the business was established, to provide cover for work done since the company began trading. In the case of a new start-up business, the date is often set to be the same as the inception date of the first policy that is purchased. So, a business starting on 1st Jan 2010 and buying a policy 1st Feb 2010 would generally have a retroactive date of 1st February. This matching of dates is referred to as 'retro inception', i.e. the retroactive date is set to be the same as the inception date of the policy.

Where the retroactive date is shown as NONE this means that there is no prior time limit for work undertaken in the past. Therefore, the policyholder would be covered for all claims made against them during their policy period that related to work undertaken by them at any time in the past (for the business shown on the schedule). Accordingly, where the schedule shows 'none' against the retroactive date section, this provides the widest cover in this respect.

You should therefore ensure that your professional indemnity policy accurately specifies the relevant retroactive date for your business. Without a date being specified (or 'none') you will only be covered for claims made during the policy period and relating to work that occurs after the inception date of the policy.

What is the policy excess?

This is the first amount of every claim that is uninsured. It generally applies to each and every claim, but it can occasionally be aggregated.

- *Campion Insurances Ltd t/a Campion Insurance is regulated by the Central Bank of Ireland*
- *This article contains general information only and you should check your individual policy to make sure you have the covers you require for your business. Should you have any queries in relation to your PI Insurance please contact Peter Scott on 090 66 30286 or pscott@campionins.com.*
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Note: The above notice in respect of adjustments to repayment rates will not apply during any period when the loan is at a fixed rate. If you or your dependants intend to use the property as a principal place of residence, you must show evidence of mortgage protection insurance, unless you are exempt under the Consumer Credit Act 1995. Maximum loan to value of Owner Occupier Residential Properties 92% of purchase price or valuation whichever is lower. Normal Lending levels are subject to monthly repayment burden, typically not exceeding c.35% of borrowers disposable income and will vary according to individual circumstances. Loan requests considered on the basis of proof of income, financial status and demonstrated repayment capacity (including capacity to repay at higher interest rates). Loans are not available to people under 18. Mortgage loans by their nature require to be secured by a mortgage and charge on the subject property. A typical €100,000 20 year Variable interest rate mortgage for an Owner Occupier Residential Property with LTV greater than 80% will have monthly repayments of €644.66 APR 4.83%. If the APR does not vary during the term of the mortgage, the total cost of credit i.e. total amount repayable less the amount of the mortgage, would be €54,718.40. The effect of a 1% increase in interest rates for such a mortgage will add €55.30 to monthly repayments. Surcharge Interest Arrears attract surcharge interest at 6% per annum in addition to the interest rate that applies to the loan. Execution and registration of the mortgage deed will involve payment by you of your solicitor's fees, outlays and registration fees.

Allied Irish Banks, p.l.c. is an authorised agent and servicer of AIB Mortgage Bank in relation to origination and servicing of mortgage loans and mortgages. AIB Mortgage Bank and Allied Irish Banks, p.l.c. are regulated by the Central Bank of Ireland.

E-conveyancing to simplify current outdated system of title transfer

E-CONVEYANCING OR THE ELECTRONIC TRANSFER OF TITLE COULD BE UP AND RUNNING WITHIN TWO AND A HALF YEARS, THE JOINT OIREACHTAS COMMITTEE ON JUSTICE, DEFENCE AND EQUALITY HAS BEEN TOLD. TIM RYAN REPORTS ON THE LATEST DEVELOPMENT.

An update on developments in relation to e-conveyancing was given in June to a meeting of Joint Oireachtas Committee on Justice, Defence and Equality.

Frank Treacy, interim CEO of the Property Registration Authority (PRA), told the meeting the terms e-conveyancing and e-registration are often confused and used interchangeably. While electronic registration or e-registration is a key element of the e-conveyancing system, it only concerns the registration process, including online access to the digital register and map.

Electronic conveyancing, on the other hand, envisages paperless transactions through most or all stages of the conveyancing process, from pre-sale to post-completion, including contracts, planning, property surveys and the dispersal of funds among all involved parties. The PRA has designed the e-registration process with a view to ensuring interoperability with the e-conveyancing process.

Mr Treacy said the PRA has also offered online access to the Land Registry since 1999 and it has successfully implemented a number of major technology projects. E-discharges was the first e-registration service offered by the PRA. The existing process was redesigned to allow lenders to apply securely for the cancellation of a charge or mortgage on an electronic basis without the need to lodge any paper documents. This is done almost instantaneously. E-charging orders were developed as a collaborative process between the PRA, the Department of Health and the HSE to facilitate the legislation which underpins the nursing home support scheme, which is known as the Fair Deal Scheme, to provide for the lodgement of electronic charging orders by the HSE.

“The success of e-discharges and e-charging orders has given the PRA the momentum to proceed to develop further e-registration services,” Mr Treacy said. “In keeping with the collaborative approach adopted throughout this project, which includes all stakeholders having representation on the project board, the PRA undertook a substantial exercise in stakeholder engagement. Phase 2 of e-registration began with a number of workshops with members of the legal profession and the lending community. The scope of the project was agreed by all parties through their representation on the project board and was confined to the elements pertaining to registration. It did not include elements of conveyancing outside of the registration process. The system, which was launched late in 2013, allows users to draft and circulate deeds of transfer of registered property in a secure electronic environment. The drafting process allows for interaction with the land register, including the digital map, and the system ensures that the correct form of transfer is produced, thereby reducing opportunities for error.”



e-priority

Other features, he said, include the facility to pay fees by variable direct debit and to correspond electronically with the PRA. The facility to draft deeds of charge will be available shortly and a facility to electronically apply to protect priority - e-priority - entry on the register will follow. A working group comprising equal representation from the PRA, the Law Society and the Irish Banking Federation is currently being formed to design the process for these new services. Also, for the first time, the PRA has made available the schemes which will allow designers of practice manager systems to develop their systems to interface with those of the PRA. In tandem with this, the PRA has engaged actively with other public sector bodies which hold relevant information, including the Revenue Commissioners, the Courts Service and the Companies Registration Office, to identify methods of improving interaction between these bodies.

Mr John O'Connor, the current Valuation Commissioner, told the Committee that the Government is proceeding with a merger of the Property Registration Authority, Ordnance Survey Ireland and the Valuation Office. The Minister for Justice and Equality, Frances Fitzgerald TD, who will be the line Minister, has recently approved Tailte Éireann as the name of the new organisation. As chief executive-designate of that new organisation, he said he was keenly interested in the e-conveyancing project and looked forward to assisting the committee in its consideration of it.

It is envisaged that Tailte Éireann will, when established, be responsible for providing the authoritative national property registration system, the national mapping and surveying infrastructure and State property valuation service. As such, it will be the primary source of property information and location based data in the State and will assume a lead role in the development and delivery of land information services.

All of this is, of course, subject to the passage of the establishing legislation through the Oireachtas in due course.

Substantial risks

While the case for e-conveyancing is very attractive, Mr O'Connor warned that there are also substantial risks which must be quantified and managed.

Dr Gabriel Brennan of the Law Society told the meeting that the current conveyancing system is an old, traditional, cumbersome and paper-based process that does not serve Ireland or its citizens well. It is costly, inefficient and in urgent need of reform.

"It has the capacity to streamline and modernise

When introduced, e-conveyancing can deliver a property transfer process that will be a world leader in efficiency, security and cost effectiveness" he said.

property transactions, delivering real and substantial benefits to a range of stakeholders including Government and consumers. Benefits to consumers can include reduced conveyancing transaction time, potentially of five working days; reduced costs due to a leaner and quicker system; reduced fraud due to built-in security checks with State agencies and reduced errors and delays due to all stakeholders being on the one platform."

The Committee was told that a timeframe of approximately two and half years is envisaged for the full roll-out of the project.



Myanmar, formerly known as Burma, holds yet untapped opportunities for many Irish professionals. Among the early movers is IPAV, the Institute of Professional Auctioneers and Valuers, which has just signed a Memorandum of Understanding with the EU Myanmar Centre (EUMC), a not-for-profit non-governmental organisation tasked with facilitating trade, commerce and investment between Myanmar and the EU.

Pictured at the signing of the agreement are: front (l-r) Billy Harkin, Programme Director at EUMC and Eamon O'Flaherty, Senior Vice President of IPAV. Back: Séamus Glynn and Paul O'Brennan, Programme Directors, EUMC

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Pilgrim's Progress?

By Peter Brady, Chair,
IPAV Educational Advisory Committee

*When April with his showers sweet with fruit
The drought of March has pierced unto the root
And bathed each vein with liquor that has power
To generate therein and sire the flower;
When Zephyr also has, with his sweet breath,
Quickened again, in every holt and heath,
The tender shoots and buds, and the young sun
Into the Ram one half his course has run,
And many little birds make melody
That sleep through all the night with open eye
(So Nature pricks them on to ramp and rage)-
Then do folk long to go on pilgrimage*



You will probably find it strange to find verse from Geoffrey Chaucer in a professional magazine aimed at property professionals. More likely, you would think, for this to appear in some academic publication for medieval enthusiasts.

Yet September reminds me of Chaucer's pilgrims. It is a time when the entire country seems restless and on the move. It is as if nature has issued her clarion call to young and old as they gather to start a new journey in their lives by going to school, college, university or whatever.

Like the pilgrims in Chaucer's tales, the type of people and their motives are very varied. Some take on education and training courses because they have to, some because they wish to increase their knowledge and opportunities while other, battle hardened souls add it to the list of courses previously studied. The permanent student is not unusual in this group!

There are indeed many reasons why people decide to pursue education and training courses. For many it is inevitable and necessary if they are to survive and prosper in a highly competitive and regulated society. I am afraid that the old idea of a liberal education is long dead. Education for its own sake seems to me a million miles away (if ever it existed).

In the present world it seems that the masters of industry are to dictate what we learn. We must be useful and by this it is meant that we are of no value unless we can function. The recent drive to award incentives to students to take mathematics and science subjects and courses is indicative of this influence. And who could argue against it? After all, if studying these areas will lead to worthwhile employment and personal success, who am I to lament the passing of a fiction?

And so it is that I find myself writing this at the start of a new academic year when students enrol to obtain a qualification in property. For many this decision is prompted by the need to satisfy the regulatory authority to obtain a licence to practice, to earn a living, to work. It is, in short, a means to an end and may not have any intellectual curiosity outside of that. But I still harbour ideas about the benefits of education outside the narrow confines of regulation. Yes it is vital that people are given

the knowledge and skills to practice their profession or work (I would not fancy a carpenter working on my failing heart, or a surgeon installing a new kitchen in my home). Yet there is something that bothers me about this utilitarian approach to education. You will forgive me then if I offer the following as you find yourself surrendering to the demands of those that control our working environment.

Education is not about filling the imperial glass with fact, as Charles Dickens once observed. Rather, it offers greater opportunities than mere fact filling. At the outset it is worth considering that education is social in nature and provides an opportunity for participants to develop friendships and other relationships that may far outweigh the actual benefits of the course or programme being pursued. It provides an opportunity for social interaction and a safe place to explore ideas and thoughts without the fear of social exclusion or rejection.

It brings us into contact with different people with different life experiences and perspectives. It allows us time to explore and locate ourselves in a bigger pool, so to speak.

It is, I repeat, not an exercise in glass filling. We do not enter this phase of our lives devoid of knowledge or life experience. We know more than we think; and formal education affords us the opportunity to reflect on our own level of knowledge and add to it. Indeed reflection is at the core of education. Rote learning is not education and we should be careful to distinguish here between systems that promote such learning (filling the glass) and those that promote thought and understanding. Knowing why is as important as knowing how!

Work

Research has shown that those who pursue education to higher levels generally have greater longevity in the workforce and are capable of generating more income. This is an important consideration and is not insignificant when contemplating taking a course. But a word of caution here. The research also shows that those

with higher education have greater expectations from work and 'the wealthier we become, the more we demand from our work, and from life in general, such that our needs become more difficult to satisfy.' (Dept of Work and Pensions UK). While this conclusion from the report commissioned by the Department of Work and Pensions in the United Kingdom is not absolutely founded, it is nonetheless a cautionary tale about the narrow estimation of the benefits of education.

Perspective

Education helps change the minds of people and as observed above education makes us understand what the world is all about. It helps us understand other perspectives, beliefs and cultures. Education is the means by which we are able to improve – wipe away old systems that may once have limited our understanding and potential.

Potential

And of course one of the main benefits of any education is that it allows people the opportunity to develop their potential. It provides the facility to choose and to concentrate on one area where they have the ability to excel in. The spin-off is that those who choose this option in life also develop interests in other areas such as art, music, culture.

The importance of education cannot be overstated but it is a personal belief that its importance should not be exaggerated either. That can be the result if the benefits of education are narrowly considered. Education is the means by which we can all grow our potential if we have the desire to do so.

Like Chaucer's pilgrims we are not without grace or faith, but at times we need to reinvigorate ourselves, rediscover ourselves by going on a pilgrimage or in this context – taking on a new course.

President's Charity Christmas Lunch 2014

*The IPAV President's
Charity Christmas Lunch
takes place on Friday,
5th December in Dublin.*

*For further details and
to book your place*

email: info@ipav.ie

or

telephone: 01 678 5685

Advertorial

Douglas Displays makes a move with Light Panel



Douglas Displays has moved to a new showroom in Ballymount Corporate Park (just off the M50). Come visit us or browse our website for new display solutions, including Light Panel, for Estate Agents.

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New Light Panels offer a slim, energy-efficient, high-tech way to display your information at its absolute best.

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uses energy efficient LEDs that are extremely bright and won't cost the earth to leave switched on. Fortunately, this will draw attention to your display day and night, therefore encouraging more potential customers to your window.

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With our prices and products it means that any Estate Agent Office can portray true professionalism and give that extra WOW factor to really impress its customers. Contact Sean Douglas for the best ideas and advice and over 30 years' experience specialising in Estate Agent displays.

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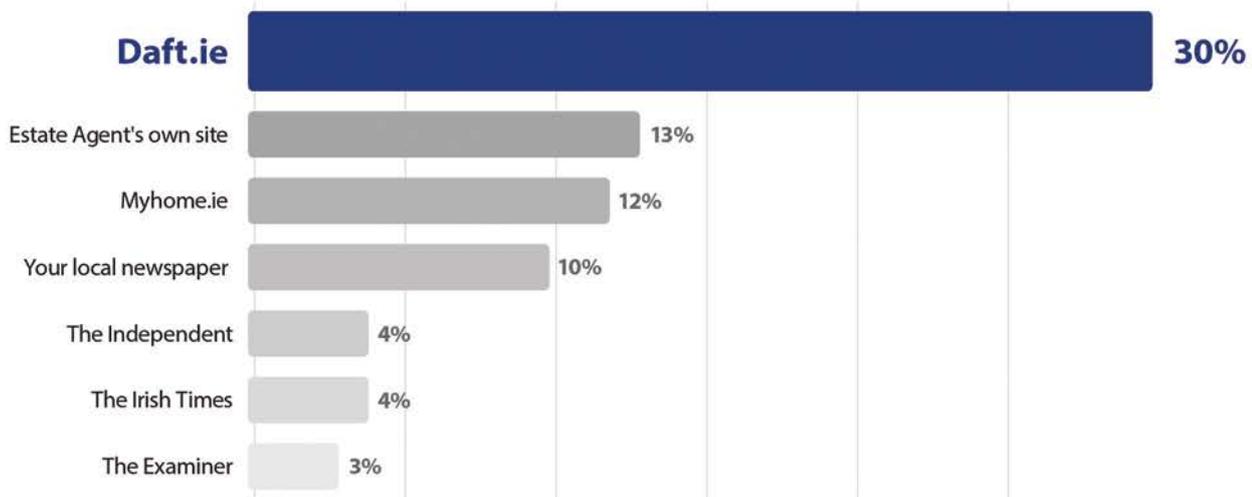
44th Annual Hot Air Ballooning Championships

IPAV members Paul Gartlan and John Fogarty were in Waterford recently to see the Re/Max balloon take part in the 44th Annual Hot Air Ballooning Championships. The Woodlands Hotel in the City was the headquarters for the event with the teams staying in the hotel and various hotels close by. Woodlands was one of the launch locations which happened every morning and evening subject to flyable conditions. The Irish Hot Air Ballooning Championship is usually referred to as 'The Irish Meet'. It is the longest running National ballooning event in the world.

Daft.ie

most influential in selling homes

*Which specific newspaper/website was most influential
in getting your property sold?*



New Research carried out by Behaviour & Attitudes (Ireland's leading Independent Market Research company) shows that Daft.ie was the most influential advertising medium for getting vendor's properties sold.



Ireland's Biggest Property Website



Research was carried out by B&A between December 2013 and March 2014. Survey was conducted on more than 300 respondents who had sold their property in the last 12 months or were in the process of selling. See www.banda.ie for more information.