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New Report Concludes Ireland Has One Of The Most Robust Property Regulatory Systems To Protect Buyers And Sellers

A new report comparing the regulatory position of real estate professions across Europe has found that while some form of regulation is gradually becoming the standard, Ireland has one of the most robust systems of all twenty-five countries examined.

The report published by CEPI, the European Association of Real Estate Professions, highlights Ireland's protections for consumers, including, mandatory professional indemnity insurance covering at least half a million euro, and agents having to contribute to a consumer compensation fund covering the full value of the property they are dealing with.

In addition agents are required to use a separate bank account for clients' funds and they must complete a PSRA contract with clients prior to taking on any contract and they can only work for either the seller or the buyer. In many other European countries, the report found, agents could work for the vendor and the purchaser and get paid by both.

Responding to the publication of the report Pat Davitt, IPAV's Chief Executive and a member of CEPI's regulation committee, said the report is intended to foster and promote high standards across Europe.

"The reality of the sector is increasingly looking at cross-border transactions and the provision of real estate services in a larger European market.

"Therefore, detailed and clear information on country regulations is vital for any interested party, and this report does just that, offering comprehensive yet easy-to-understand country-by-country regulatory overviews, an EU policy brief and much more.

"It's intended to help both professionals and non-experts navigate the real estate market in the EU and wider Europe. It should also be helpful in universities and schools to deepen knowledge of the market," he said.

Mr Davitt said Ireland is the only country to have full state regulation, many others have very little. The report found the cost of licensing in Ireland is expensive. A company or contractor's license costs €1,000 and is renewed yearly, an employee license costs €200 and is also renewed yearly. A contribution of €200 for companies and €50 for employees to the consumer compensation fund is mandatory.

The report found that in the UK real estate agents are completely self-regulated. While there may be stricter regulations imposed by the respective professional associations, for working professionals, unlike Ireland, there is no code of ethics, no lifelong learning requirements, and no mandatory professional liability insurance.

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