



REGULATION - ONE YEAR ON
GERALDINE CLARKE, CHAIR OF THE PROPERTY
SERVICES REGULATORY AUTHORITY

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The screenshot shows the daft.ie website interface. At the top, there's a navigation bar with 'Home', 'Email alerts', 'Discussions', 'My Daft', and 'Place advert'. Below that, a search bar is visible with filters for 'Dublin City', 'Price Range', 'Bedrooms', and 'Property type'. A banner for Jeanette Ryan is prominently displayed. The main content area shows search results for properties in Ranelagh, including a terraced house for €360,000 and a semi-detached house for €225,000. The page also includes a 'Free Evaluation' section and a 'Send an email' button.



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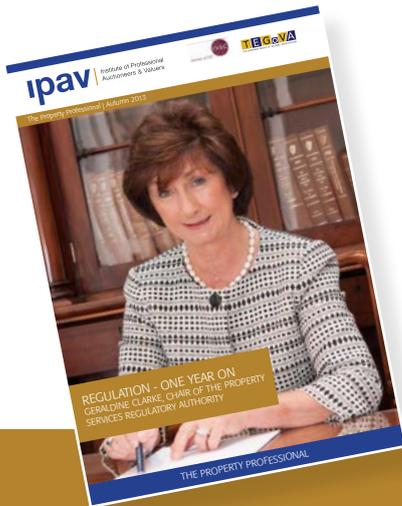


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Dear Member

Firstly, I wish to thank the many members for their compliments on the changes and innovations introduced to the summer edition of the Property Professional magazine. In this issue we have introduced further redesign features which I feel brighten up the magazine and make it more relevant to members. Thanks to the editor Tim Ryan and Lee Ryan, Designer, for all their hard work to change the look of the magazine.

Members have also given a very favourable response to our new monthly online newsletter and together they form a key part of our new communications strategy. Shortly, IPAV will be launching its newly redesigned website which will have a wealth of information for members and the public. On October 5th, IPAV launched its Facebook, Twitter and linked-In pages and I hope all members find them useful and effective.

In this issue Geraldine Clarke, the Chairperson of the Property Services Regulatory Authority, reviews the new regulatory regime for auctioneers and estate agents one year on. More than 5,000 licenses were issued in the first year showing that auctioneering is still a thriving and vibrant profession in every county throughout the country.

We also feature the first 65 IPAV members who are engaging in the first ever TEGoVA "REV" course at the Institute of Technology, Tallaght as well as the first students to undertake IPAV's new Level Six Higher Certificate course in Real Estate. IPAV is very proud to be the only awarding body of this prestigious International Valuation Standard which is recognised both by the European Parliament and, more importantly, the Central Bank of Ireland. Long may the Blue Book culture flourish. All members are strongly encouraged to take the course and should note that bookings are now being taken for the next session.

November sees the staging of an EGM to approve with the member's permission updates in the Memorandum and Articles of Association. These are a very important part of the growth of IPAV as we see the splitting of the 'Member' and the 'Member Certified Valuer Status' in addition to the new 'MIPAV REV' status. I encourage all members to attend this EGM in Portlaoise on the November 13th and to have your say. After the EGM, there will be a seminar, providing another opportunity for members to update on current developments in the industry.

I hope there is something for everybody in this issue and I am always delighted to hear feedback from members on any article of interest. I also wish to encourage members to contribute articles to the magazine themselves, thereby making it even more relevant to the issues that concern them in the day-to-day running of their business.

Best wishes

Patrick Davitt
CEO

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President's Message



Dear Member

Welcome to the Autumn 2013 edition of the Property Professional.

As I write more and more reports are coming out indicating that the property market has indeed stabilized and indeed is picking up in some areas, notably Dublin. Reports from the PRTB rent index and property web portal Daft.ie show that rents are also increasing in many areas and this is being accentuated as thousands of students descend on the third level colleges across the country.

For the first time since 2008, IPAV members can look forward to a busy Autumn season. While we all have to work harder and longer hours to earn a living, we are all delighted at the opportunity to get out there in the market place if there is business to be done. However, it will be some time yet before the market returns to anything like normal and we must brace ourselves for the choppy waters still ahead of us.

Nowhere is the re-emergence of activity more obvious than in the number of students undertaking IPAV's Level 6 course. This two year part-time course, run in conjunction with the Institute of Technology, Tallaght attracted in excess of 30 students who clearly see good opportunities in the property industry in the future. This course complies entirely with the requirements of the new Property Regulator and I believe it has major potential for IPAV in the years ahead.

As we are now in a new era of regulation, IPAV's role is becoming more focused on education and upskilling members in various aspects of the property industry. As you will read elsewhere in this issue, IPAV recently launched its first Recognised European Valuer (REV) course also run in conjunction with the Institute of Technology, Tallaght. This is another major milestone for the Institute and our membership of the European umbrella body for valuation bodies, TEGoVA ensures that all members now have the opportunity to meet the qualification standards necessary for many of the valuation panels of the financial institutions. I would urge all practising members to consider taking this course in future as a part of IPAV's Continuous Professional Development programme.

IPAV also recently held its first CPD seminar in Cork on Tuesday, September 17 on the powers of the Regulator. This was a major success with almost 100 members present. Two further seminars are scheduled for Claremorris, Co. Mayo (Tuesday, October 15) and Portlaoise, Co. Laois (Wednesday, November 13).

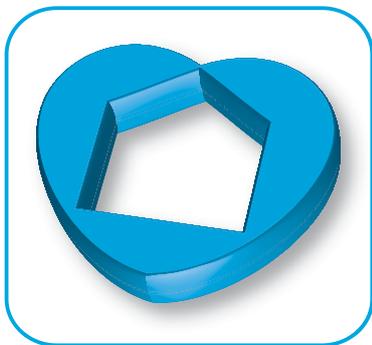
Our Fine & Decorative Arts courses, run at IPAV's Head office have again attracted record numbers of participants and I wish Roxane Moorhead and her team of lecturers the best for the forthcoming academic year.

Finally, I wish to pay tribute to our former President and National Council member Padraig Smith whose untimely death shocked all of us in July. As well as a work colleague, Padraig was a close personal friend of mine. I knew him since we both worked in P.B. Gunne's in Carrickmacross in the early 80s and we were firm friends ever since. Padraig was a sincere and affable colleague who worked hard to help colleagues as much as he could. We shall all miss him dearly. Ar Dheis De go raibh a anam dilis.

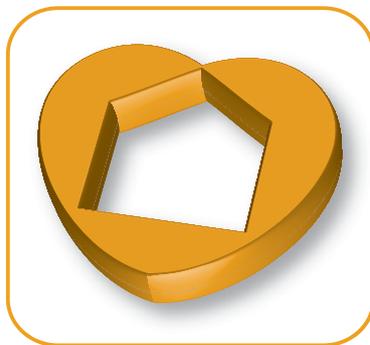
Ronald Duff

President

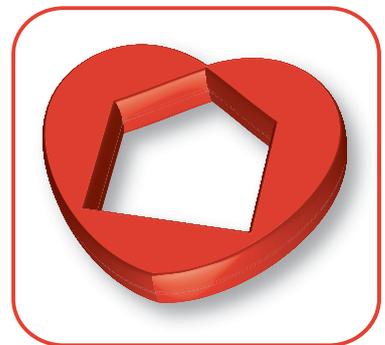
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Regulation - One Year On

ON JULY 1, THE PROPERTY SERVICES REGULATORY AUTHORITY COMPLETED ITS FIRST YEAR OF REGULATION OF AUCTIONEERS/ ESTATE AGENTS, LETTING AGENTS AND MANAGEMENT AGENTS. HERE GERALDINE CLARKE, CHAIRPERSON OF THE PSRA, TALKS TO TIM RYAN ABOUT THE WORK OF THE AUTHORITY AND HER INVOLVEMENT WITH IT.

Like so many people trying to juggle a number of things around, life for the new Chair of the Property Services Regulatory Authority, Geraldine Clarke has been hectic. The busy Dublin-based solicitor is a Partner with Gleeson McGrath Baldwin on Anglesea St. "We prop up the Stock Exchange, which is next door," she says as she sits down to be interviewed in between her daily schedule of meetings.

A native of Keash, near Ballymote in Co. Sligo, Geraldine Clarke was educated at the Marist Convent Boarding School in Carrick-On-Shannon before heading to Trinity College to study French, Philosophy and Irish.

"Then I moved on to study Law making me possibly one of the longest students in the place," she says. "I remember going home to my poor father to tell him I had changed my mind and wanted to study Law when he was thinking I was about to tell him I had got a job!"

Having qualified as a solicitor in 1978, she moved back west to Longford where she worked for a few years.

"Initially I was in general practice so I would have done a lot of conveyancing and whatever was thrown at me as a young solicitor." After a few years she moved to Dublin where she has practised ever since mainly in litigation.

However, throughout her entire professional life Geraldine Clarke has had a major involvement in the area of professional regulation, principally through her involvement in the Law Society.

"I always had an interest in the regulation of the professions," she says. "I was involved in the Regulatory Committees of the Law Society and chaired the Compensation Fund Committee (now known as the Regulation of Practice Committee)." Later in 2002/2003 she served as President of the Law Society for a term and she has also had a longterm involvement in the International Bar Association."

In 2004 Geraldine Clarke was appointed to the original Working Group on the regulation of Auctioneers and Valuers by the then Minister for Justice Michael McDowell. It was chaired by Tim Dalton, former Secretary General of the Department of Justice. It made

recommendations to the Minister which were accepted and these provided the framework for the Property Services Regulation Act, 2011. She was subsequently asked by the current Minister for Justice Alan Shatter to chair the Board of the new Authority which has been in operation for 14 months.



Under the Act all property professionals whether working in sales, lettings or management must be licensed. They must also have a minimum standard of education or show that they have relevant experience in the area of property services. In addition, they are obliged to have professional indemnity cover, have full tax clearance both for the business and as an individual and they must contribute to a mandatory compensation fund set up under the Act.

"It's an entirely new system of regulation that simply did not exist in the past under the old regime," says Geraldine. "It imposes minimum standards in the profession and has as its ultimate goal the protection of the public. Overall I believe it's very good for the profession. It will raise the standards of those who work within it and weed out those who do not comply with the acceptable professional practices."

Geraldine Clarke is firmly of the view that the introduction of the new system in the middle of a recession was to the benefit of property professionals. "I think its introduction at the height of the property boom would have been difficult due to the heat in the

market. The fact that the legislation was passed at a less heated time meant that everybody involved had a better opportunity to consider what was required to obtain a licence and to devote some time to meeting those requirements. However, the reality is that for everybody the first registration was difficult. A lot of the applications had to be returned by the Authority as they were not properly completed. But now that it is up and running and the information is computerised, renewal of the licences is going to be much easier.”

There is, says the Chairwoman, little by way of extra costs to the business. Currently the fees stand at €1,000 plus a €200 contribution to the compensation fund per annum. In addition, each practising employee must pay a fee of €150 per annum which comprises a licensing fee of €100 and €50 to the Compensation Fund.

At the end of the first licensing year at June 30th this year, the Authority had received 5,942 applications in total for all categories of licences. Of this figure, 5,202 licences were granted which represents 87.5% of all applications. Information was outstanding from 135 applicants, 24 applicants had ceased trading, 457 applications had been refused and proposals to refuse had been issued to 124 applicants.

There is an Appeal's process from a decision of the Authority either to the High Court or to an Appeals Board depending on the nature of the Appeal (which is ultimately independent of the Authority). To date no case has been appealed to the Appeals Board but there is one application for a Judicial Review issued in the High Court.

The Authority has received 23 complaints from the public about non-licensed agents operating without licences. All have been written to and directed to cease trading and the first court proceedings against those who have not will be initiated shortly. The sanctions are severe and involve fines of up to €250,000 and/or imprisonment.

Complaints can be made by clients or members of the public but there are still some areas, she admits, where problems may arise. One, for example, is in the area of deposit retention as the agent's contract is normally with the landlord and not the tenant. Thus, problems can arise in regard to the return of the deposit.

The Authority, which consists of a Director and nine staff, is based in Navan, Co. Meath. This is not an issue, says Geraldine Clarke. “All the applications that come in are entered onto computer and the Register of Licensed Property Service Providers is available on the Authority's Website. The legislation provides specifically that the Authority must be self-financing. The total budget for 2012 was €738,000 and the provision for 2013 is €840,000. The good news is that no immediate increase in licence fees is planned for the foreseeable future.

Recently the Property Services Regulatory Authority achieved another milestone when it published a register of all residential property prices since January 2012. This was another function

I remember going home to my poor father to tell him I had changed my mind and wanted to study Law when he was thinking I was about to tell him I had got a job!

of the Authority laid down in the 2011 Act. Next up will be a register of commercial leases, which it hopes to have ready by the end of September.

Geraldine Clarke welcomes the recent decision by the Government to reject a proposal contained in Economist Colm McCarthy's Report, to merge the Authority with the Private Residential Tenancies Board (PRTB).

“The two bodies have nothing in common. The PSRA regulates the whole area of practice of auctioneers and estate agents whereas the PRTB deals specifically with the relationships between landlords and tenants. We were very pleased with the decision not to merge as even with the best will in the world it would have been impossible to operate a merged entity with very limited resources available.”

As to the future, the Property Services Regulatory Authority will look to areas such as CPD but for the present will leave the upskilling members in the hands of the relevant professional institutes. “We simply don't have the resources,” she says. Obviously it is in the interest of every practitioner that they keep themselves up to date with best practice and what is happening in the industry at all levels. However, I recognise that compliance with the new licensing regime has involved a significant time commitment on the part of all involved and I commend all those practitioners who are now licensed and in the process of renewing their licences for the forthcoming year.”

Outside of her professional career Geraldine Clarke enjoys all kinds of music and is as likely to be seen at Slane Castle as at the National Concert Hall. “I also sing badly (often uninvited) and enjoy travelling very much too,” She added. To date this year, she has managed short breaks in Florence and Malaga and having a husband and two teenage daughters also keeps her fully occupied during out of office hours.

First 65 IPAV Members to receive their “REV” status in November.



BY PAT DAVITT, IPAV CEO

Since the summer issue of the Property Professional, I am delighted to report major progress on IPAV’s “Blue Book” Valuation Culture. On the weekend of September 6th / 7th, the first group of 65 IPAV members arrived in the Institute of Technology, Tallaght to begin the first “REV” MER course to become Recognised European Valuers (REV’s). This very important course is challenging. It is spread over four weekends and an examination must be passed every week and a continuous workbook completed.

On Saturday, September 14th, the Chairman of TEGoVA, Roger Messenger, paid a special visit to ITT when he addressed both our REV students and our new cohort of students who are studying IPAV’s new Level 6 Higher Certificate in Real Estate, a total of 91 students. The launch of the “REV” MER course marks the culmination of a long road in securing valid recognition for IPAV Member Valuers, allowing them participation on the valuation panels of the major financial institutions.

The Irish Central Bank: After the first draft paper issued by the Central Bank in December 2011 their final paper was issued on 18th December 2012 and was titled “Valuation Processes in the Banking Crisis - Lessons Learned - Guiding the future”. In this final paper the Central Bank recognised, as IPAV always stated, there are other valid valuation standards and practices. The following is an excerpt from the final paper: “Market valuations should be carried out in accordance with the RICS Valuation Standards (Red Book) or the TEGoVA European Valuation Standards (Blue Book) or the International Valuation Standards Council (White Book).” (Members who wish to access this Central Bank final paper need to type the title of the paper into the search box on the Central Bank’s website www.centralbank.ie).

IPAV congratulated the Central Bank and confirmed it intended to immediately adopt and follow the standards as set out in the European Group of Valuers Associations “TEGoVA” “Blue Book”. IPAV was made a TEGoVA Member organisation in May 2013 and is the

only awarding Irish Valuing Association of the “REV” status and hence the use of the “Blue Book” valuation standards.

Mr Messenger’s visit on September 14th was a very important one as he confirmed when the new European Mortgage Directive is passed by the European Parliament and comes into force in September 2015, the “Blue Book” standard will be one of their preferred International Valuation Standards. He said there are currently 2,000 REV’S in more than 30 European countries and the number is increasingly rapidly.

All property valuations, including residential valuations, will have to be completed to one of these preferred valuation standards. In time this will change the valuation and mortgage practices as we currently know them but will make them more professional. As all IPAV valuations will be completed to European and International Standards, they will henceforth be more aligned to those in Europe and understood by Valuers across all of Europe.

IPAV is also a member of the International Valuation Standards Council (IVSC) which promotes “White Book” valuations standards.

Irish Financial Institutions: IPAV needs to protect members’ interests and to award as many Valuers as possible, who meet the TEGoVA Minimum Education Standards, the “REV” status valuation qualification. This is a huge and important step forward for our Institute and it is beholden on all members to grasp it.

Since IPAV adopted the Blue Book valuation standards, KBC Bank Ireland, have now reinstated all IPAV Valuers on the basis that they will receive their “REV” status by the end of December 2013. Other financial institutions will have to follow this example as they implement and comply with the Central Bank of Ireland final paper.

I look forward to the first IPAV members receiving their REV status in the coming weeks, an event that will mark another major milestone in the growth and development of the Institute

President’s Charitable Lunch

I am delighted to announce for the first time the Presidents Lunch, which will be held on Friday, December 6th in the Westbury Hotel, Dublin in conjunction with the Irish Cancer Society. Tickets will cost under €50. This is a very worthy cause and I ask you to make it a major success. It is an ideal opportunity to treat your staff for Christmas.



The group of IPAV members at the launch of the TEGoVA REV course in the Institute of Technology, Tallaght with Roger Messenger, Chairman of TEGoVA; IPAV President Ronald Duff and CEO Pat Davitt.



The group of IPAV students who are studying for the Level 6 Higher Certificate in Real Estate pictured in the Institute of Technology, Tallaght with Roger Messenger, Chairman of TEGoVA, Ronald Duff, IPAV President; Pat Davitt, CEO, IPAV, Peter Brady, Chair, IPAV Education Advisory Committee and Laura Raleigh, Co-ordinator, IPAV Education Programmes.

IPAV launches new Higher Certificate in Real Estate course

(LEVEL 6 – NPSA APPROVED)

IPAV has launched its new Higher Certificate in Real Estate (Valuation, Sale and Management) course run in conjunction with the Institute of Technology, Tallaght. The course is a Level 6 award (120 ECTS) developed in collaboration with ITT Dublin and is approved by the National Property Services Regulatory Authority for licensing purpose.

It is a challenging two-year course that covers issues relating to valuation and the sale and letting of residential property. It is designed to meet the requirements of a changing and demanding market where the property professional will be expected to perform to the most exacting standards.

The course is delivered on Saturdays over two consecutive academic years with the first group having already started this September. In addition to formal lectures, students will be expected to do home study as directed and maintain a personal learning diary. They will also be 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 agree to some degree of work shadowing in order to complete the Professional Practice module.

The Professional Practice Module is mandatory and must be completed by all students to obtain a Level 6 qualification. IPAV's website has a dedicated registered student area where course information – coursework assignments, timetables, notes, etc can be downloaded.

The venue for the course is Dublin but other centres may be considered, depending on the student geographic profile.

Holders of existing IPAV qualifications or persons who have completed some modules of the programme, will be eligible to apply for the Higher Certificate in Real Estate, using a process of RPL (Recognition of Prior Learning).

Graduates will have an opportunity of progressing to higher studies, based on the Level 6 award.

Further details are available on www.ipav.ie or by emailing info@ipav.ie

Death of former IPAV President



IPAV has expressed its sincere sympathy to the wife and family of its former President, Padraig Smith who died in July. Padraig was a very well-known and familiar auctioneer and valuer in the north-east of the country with offices in Ballyjamesduff and Cavan town.

A native of Lavey, Co. Cavan, Padraig began his career as a livestock auctioneer in 1974 and moved into property 10 years later. Despite the recession Padraig continued to run his business successfully and on June 6th, he organised a very successful auction of 16 commercial, residential and agricultural lots where he achieved an 80 per cent success rate.

Padraig joined IPAV in 1991 and was elected to its National Council in 2001. He served as Junior and Senior Vice-President before being elected President at the Institute's AGM in the Slieve Russell Hotel, Ballyconnell, Co. Cavan on May 21, 2011. He was married to Mairead and the

couple had six children, Raymond, Rachel, Darren, Donna, Melanie and Mark. Raymond is also a member of IPAV.

A large number of IPAV members, including current President Ronald Duff and CEO Patrick Davitt attended his funeral in Ballyjamesduff on Friday, 19 July.

Paying tribute to Padraig, Ronald Duff said: "I have known Padraig since we both worked in P.B. Gunne's in Carrickmacross in the early 80s and we were firm friends ever since. He was a sincere and affable colleague who worked hard to help colleagues as much as he could. During his term as President, for example, he organised a number of very good seminars around the country for members. His sudden and untimely death has come as a great shock to all members. On behalf of all members, I wish to extend my sincerest sympathy to Mairead and his family."

Valuers to play key role in Irish economic recovery

VALUERS CAN PLAY A KEY ROLE IN THE RECOVERY OF THE IRISH ECONOMY, THE CHAIRMAN OF THE EUROPEAN GROUP OF VALUERS ASSOCIATIONS SAID IN DUBLIN RECENTLY.



Pictured at the launch of the TEGoVA REV course for IPAV members were (l - r): Pat Davitt, IPAV CEO; Roger Messenger, Chairman TEGoVA and Ronald Duff, IPAV President

Launching the first Recognised European Valuer (REV) course in Ireland at the Institute of Technology, Tallaght, Roger Messenger, the Chairman of TEGoVA, which represents 53 member associations across 30 European countries said that while valuers were often blamed for being part of the reason for the property boom, they were would certainly play a major role in the recovery of property market by providing a high quality service in the revaluation of all types of real estate in the new environment.

Mr Messenger said he was delighted to welcome into the organisation the Irish Institute of Professional Auctioneers and Valuers (IPAV), 65 of whose members are studying the REV course. He said the REV standard had recently been endorsed by

the European Property Federation which represents over 70,000 property owners and investors across Europe with an investment in excess of €1.5 trillion.

“What valuers must seek to provide is consistency of a quality service for clients at all times,” he said.

While many professional bodies had been happy with self-regulation, EU demands meant that that era was now passed and valuers must meet a consistent high level of qualification. He said one of the hallmarks of the EU was anti-monopoly by any one body and that was why TEGoVA's presence in Ireland was particularly significant.

Mr Messenger said valuers will play an increasingly important role when the new European Mortgage Directive, currently being voted in the European Parliament, is transposed into Irish law. The purpose of the directive is to “harmonise” mortgage regulation throughout EU member states. The agreement with the Parliament marked a key achievement of the Irish Presidency of the EU during the first six months of this year.

The new rules, set out in this Directive, will also help improve comparability of mortgage products leading to a more level playing field across Europe and help the development of a cross-border mortgage market.

Mr Messenger said the final Directive confirmed TEGoVA and its European Valuation Standards (EVS) in their rightful place among the internationally recognised valuation standards that member states must take into account when fulfilling their obligation under the Directive to develop reliable national property valuation standards.



At the TEGoVA REV course in the Institute of Technology, Tallaght were (l - r): Pat Davitt, CEO, IPAV; Sean Dalton, Longford; Ronald Duff, IPAV President, Fintan McGill, Longford and Roger Messenger, Chairman, TEGoVA, Guest Speaker.



At the TEGoVA course in Tallaght were (l - r): Peter Messenger, Chairman of TEGoVA; Pat Davitt, IPAV, CEO; Gerard Hanley, Claremorris, Co. Mayo; Ronald Duff, IPAV President; Martin Kelleher, Clonakilty and Aidan O'Brien, Mitchelstown.



Pictured at the TEGoVA course in Tallaght were (l - r): Pat Davitt, IPAV CEO; William Wallace, Midleton, Co. Cork; Roger Messenger, TEGoVA; Ronald Duff, IPAV President; Frank Regan, Longford; Kevin Barry, South Mall, Cork City and Jeremy Murphy, South Mall, Cork City.



At the TEGoVA course were (l - r): Gary Little, Drogheda, Co. Louth; Roger Messenger, TEGoVA; Pat Davitt, IPAV President; David McDonnell, Mullingar; Paul Reynolds, Letterkenny and Pat Davitt, IPAV CEO.

Waterford RE/MAX agent rated No. 3 in Europe

WATERFORD IPAV MEMBER MARGARET FOGARTY HAS BEEN RATED NO 3 OUT OF 12,000 AGENTS ACROSS EUROPE IN A RE/MAX TABLE. PROPERTY PROFESSIONAL EDITOR TIM RYAN SPOKE TO HER ABOUT HER BUSINESS AND HOW SHE MANAGED TO ACHIEVE THE HIGH RATING.



Tell me about your background and early years.

I am originally from Nurney, Co Carlow and moved to Waterford in 1993 to take up employment at Waterford Regional Hospital in an administration post. After several years of administration work with the then South Eastern Health Board I decided to leave a permanent pensionable job and opened the well known Avondale Townhouse in Parnell Street Waterford. While running the guest house I also looked after the administration of my husband John's Financial Services and Auctioneering Business.

How did you become involved in auctioneering?

Having successfully run the Guesthouse for a number of years, I decided that I wanted a change of scene and decided to get more involved in the Auctioneering business. I started to take a more active part in the day-to-day activities of the business. In 2004, I completed the two- year IPAV course to add to my growing knowledge and, as they say, the rest is history.

How did you get involved with RE/MAX?

In 2010 my husband John secured the master franchise rights for RE/MAX Ireland and I rebranded the existing office to RE/MAX Property Specialists in 2010 and have not looked back since.

Tell me a little about RE/MAX

RE/MAX was founded in Denver, Colorado in 1973 and has more than 100,000 affiliates and 6,000 offices in 70 countries around the world. It is ranked as the 11th biggest franchise in the world and the largest property franchise in the world. Having implemented the world class RE/MAX training and procedures I am now No. 3 for transactions out of 12,000 agents in Europe! I found that as a result of being part of the RE/MAX organization I have access to invaluable



Margaret Fogarty

resources including marketing, training and support and of course one of the most recognized brands in the world. It has also opened my office to overseas business from referrals from other RE/MAX offices.

How did the recession affect your business?

At the start of the slow down in the Property market, in an effort to maintain steady cash flow, the staff and myself started to focus our efforts on rentals as well as sales. As a result property rental and management now form a large part of our business. I am now totally focused on sales again but I have a great team around me to look after the rental and management business and to assist with the sales.

Referral is another huge part of my business and I am a member of the Local Chamber of Commerce and networks with local businesses and other professionals. I was recently awarded Best in Business Services 2013 by the FAB Waterford Women in Business Group.

What is the property market like in Waterford now?

The market in Waterford is on the move and property is selling swiftly once it is priced correctly. There are a large number of buyers out there who have rented



What extra assistance would you like to see IPAV offer its members?

I believe that with his wealth of experience and knowledge of the industry, Pat Davitt as CEO will bring IPAV to the next level. We have to be world class players offering the highest standards and education in the industry and Pat is the man to drive this forward. We need to constantly upgrade our skills to stay at the forefront of the market.

How do you manage to run a busy office and still fit in family life?

I rise every morning at 6.30 and pump iron for 30 minutes in the local Educo Gym. I am at my desk at 8am preparing for the day and regularly work till 8 or 9 at night. I believe that now, more than ever, you have to facilitate customers when they are available. I want to operate at the highest level and to give my clients the level of service they deserve. I feel that this is what it takes to succeed. If you think I am passionate about property, you have to meet my husband John. After 25 years in the business, he has gained a wealth of experience from which I can draw. The firm can boast record residential and commercial sales. When we reminisce about the boom years, the firm is very proud of its record where we achieved multiple large residential sales, in particular a coastal residential property in Dunmore East which achieved over €3million and a magnificent Victorian residence in Kilkenny City which achieved in excess of €1.25m.

The office also completed the landmark sale of the old Permanent TSB Building in High Street, Kilkenny, which was guiding at €1.75m and achieved in excess of €3.5m at an auction packed with over 85 'men in suits' and a representative of every bookmaker on the planet!!!!. The firm also established a reputation for the sale of development sites, where these sales achieved between €1m and €20million. However, with my feet back firmly on the ground, I am delighted to report three of the largest residential sales in the Waterford area recently, where we achieved prices of €330K, €425K and €300K, which is double the average achieved in the area for some time. It is encouraging to note that two of these properties were to buyers who were loan approved and another sale was from an overseas referral from RE/MAX.

What interests do you have outside of work?

I have a lifelong passion for horses, coming from the Dermody family who are well known in National and International showjumping circles. My other passion aside from property is golf. I am a member and previous lady captain of Waterford Castle Golf club. Currently, I enjoy playing off a handicap of 15 and hope to reduce this by the end of the season.

for the last 3 to 5 years and want to own their own home. First-time buyers are very active in the market and I am finding that as a result this allows others to trade up. There are quite a number of cash buyers with € 50,000 to € 100,000 and the odd one with considerably more!! Prices have dropped by up to 50% and in some cases 60%. For example, an apartment that would have cost in the region of €440,000 at the peak of the market has recently been 'Sale Agreed' for in excess of the asking price of € 195,000. I have been encouraged by recent agreed sales around the city with record prices being achieved and I feel that each sale that is completed is another step towards building confidence and a solid base to get the sector back on track.

Have you noticed any increase in bank lending?

Banks are lending but of course the criteria are very strict and the mortgaged clients I come across are mostly with AIB and BOI and a smaller number with PTSB and Ulster Bank. My office is on all the major Bank Valuation panels and we have noticed a good increase in valuation instructions over the last 6 months.

How do you see the remainder of 2013 in regard to property sales?

Our office has doubled its sales this year to date from 2012 and we have had no lull over the summer months. In fact July and August, traditionally slow, have been our busiest months. I am very excited about the remainder of the year and we have recently secured some very promising instructions of both single and multiple portfolios for clients.

How have you found the new regulation for auctioneers and estate agents to date?

I welcome regulation, it is long overdue. The new licensing system and regulation is in the best interests of our profession and the clients we serve. I feel the Property Price Register is also a welcome addition to the industry as it creates transparency.

IPAV call for insurance on high Loan to Value (LTV) mortgages

BUDGET SUBMISSION 2014



The creation of a universal mortgage insurance model, a mortgage lender's pledge, penalties for those who do not develop city centre sites within a specified period of time and the setting up of a National Property Council are among the recommendations in a pre-Budget submission to Government made by IPAV.

In the submission, prepared by economist Jim Power, IPAV stated that mortgage lenders are under significant pressure to rebuild profitability, reduce the size of the balance sheet and hold adequate levels of prudential capital. High Loan to Value (LTV) mortgages are much more expensive from a bank's perspective because they are more risky and consequently the banks are forced to hold higher levels of expensive capital.

IPAV proposed that the creation of a universal mortgage insurance model would impose a mandatory requirement for all lenders providing high LTV mortgages and enable those financial institutions to ensure the portion of the high LTV mortgage above a certain rate, such as 75 per cent.

"This would mean the financial institution would not have to hold expensive capital and thereby would be in a position to offer lower interest rates to borrowers," said Jim Power.

In the UK earlier this year the Government introduced a 'Help to Buy' scheme whereby the UK Government directly insures lenders for the risk in that of the mortgage between 80 and 95 per cent LTV with lenders retaining a maximum of 0.75 per cent exposure on the loan. To date this has proved very successful in re-invigorating the UK housing market.

IPAV also proposed that mortgage lenders who should be finalising outstanding loans over the coming months should pledge that for every three mortgages that have been resolved, one new mortgage should be granted. According to the submission the whole focus of mortgage lenders cannot be just about finding resolutions to problems mortgages but securing binding commitments on new lending.

"Such a Council would formalise a sector that has not been too informal in the past,"

IPAV also called for the setting up of a dedicated Property Council to oversee the future of the property industry in Ireland. IPAV CEO Pat Davitt said such a Council should be made up of experts from a variety of different fields within the sector. It would seek to formalise a plan to address issues such as planning, density levels, building standards, demand supply.

"Such a Council would formalise a sector that has not been too informal in the past," he added.

Full details of the submission are available on www.ipav.ie

IPAV President supports fellow Meath man for IFA Presidency

IPAV President Ronald Duff was among many hundreds of supporters who attended the launch of IFA Presidential candidate Eddie Downey's campaign at Tayto Park Visitors' Centre, Ashbourne, Co Meath on Saturday, September 14.



At the launch of Eddie Downey's campaign were (l - r): George Williams, Ratoath; Bill Bourke, Fairyhouse; Eddie Downey, IFA Presidential candidate; Ronald Duff, IPAV President and Dave Heffernan, Fairyhouse.

Photo by Barry Cronin Photography

As a fellow Meath man, Ronald Duff said he is proud to be a supporter of Eddie who has put in a major effort on behalf of farmers throughout the country.

"If elected, I know Eddie will be a tremendous leader for the IFA and Irish farmers and I wish him every success in his campaign," he said.

Mr Downey, who is the current Deputy IFA President and a former chairman of the IFA's National Farm Business Committee, said the key challenge for the new IFA President and for the future of Irish agriculture is to provide real leadership and to exploit the opportunities ahead.

Eddie Downey's primary enterprises at Monknewtown, near Slane, are suckling, tillage and broiler breeding.

The IFA leadership elections take place later this year, where 85,000 members can cast their vote in 947 branches across the country.

Analysing housing stock in your County

BY ALAN BRACKEN, SHERRY FITZGERALD DAVITT & DAVITT, MULLINGAR

With the release of the new National Property Register, IPAV Members have never had a better opportunity to compare sales in their areas to current stock levels available in the market at present. As part of a survey, we have looked at the amount of sales registered in the Republic for the first eight months of 2013 to compare the amount of sales in each county.

We have also looked through the property website of daft.ie and calculated the amount of residential stock available as advertised by daft.ie to give an indication of stock levels.

This figure is used as a guide and does not account for properties privately advertised or listed multiple times.

The attached graph shows the amount of sales county by county for the first eight months of 2013. These figures include all types of sales. The total amount of sales to date in 2013 was 15,025 sales with an estimated volume of sales for residential and land of 22,500. The amount of second hand stock listed on daft.ie is approx 48,000 units.



As we can see Dublin accounted for approx 33% of registered sales nationally with Monaghan accounting for approx 1% of the sales. To get a true reflection on how each county is doing, you need to compare the amount of sales with the population of each Province, which indicates what sales occur for each province per head of population.

Province	% of Population	% of sales
Leinster	55%	57%
Munster	27%	26%
Ulster	6%	5%
Connacht	12%	12%

Dublin accounts for 51% of the population of Leinster and accounts for 55% of sales.

The attached graph compares the estimated amount of sales for each county with the amount of residential stock listed on daft.ie. The blue column indicates the amount of sales while the purple column indicates the amount of residential stock available.

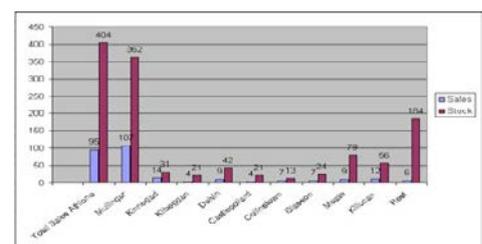
The graph indicates that in Dublin over 7,500 sales will occur in 2013 for residential, while the amount of residential properties listed on daft is only 3,200, which would indicate that without the influx of new builds onto the market, Dublin would have approximately 6 months of stock available. If you look at your selected county you should be able to judge the amount of stock available in your county compared to sales in 2013.



From the graph a trend of sales compared to stock would indicate that Dublin and the counties surrounding it have a high level of sales compared to stock available. In particular note Kildare, Carlow and Meath. In time the same trend should follow other large cities and there surrounding areas.

County from 1st Jan- Aug 2013	Projected sales	Res Stock	County from 1st Jan- Aug 2013	Projected sales	Res Stock
Carlow	274.5	548	Roscommon	414	1362
Longford	214.5	641	Clare	514.5	1647
Laois	303	751	Waterford	592.5	1946
Leitrim	247.5	778	Tipperary	603	2011
Monaghan	193.5	779	Donegal	586.5	2074
Kilkenny	358.5	821	Cavan	339	2171
Offaly	256.5	890	Wexford	808.5	2408
Wicklow	760.5	1149	Mayo	481.5	2814
Kildare	936	1195	Limerick	742.5	3018
Westmeath	411	1258	Dublin	7518	3233
Meath	757.5	1270	Kerry	700.5	3658
Louth	622.5	1283	Galway	1185	3701
Sligo	322.5	1307	Cork	2394	5963

County Westmeath



The final graph shows the sales in Westmeath for the major populated areas (indicated in Blue) and compares each area with the amount of second hand stock listed. The total registered sales from 1st Jan 2013 – 31st Aug 2013 was 274 Units. The total amount of listed second-hand stock was 1237 units. Sales in Athlone were 75 in County Westmeath and 20 on the County Roscommon side.

IPAV recommends that its members carry out the same survey for their own county, and would appreciate that results and findings be emailed into National Office.

The Property Register is a great means of analysing sales in your area and it will assist members in having a more educated opinion of their own local market which, in turn, will allow them to communicate to their vendors the true picture of market trends.

Sources: Daft.ie.; Census 2011 and Property Register website.

IPAV Seminar

Pictures by Darragh Kane photography



IPAV President Ronald Duff speaking at IPAV's Seminar on Regulation in Moran's Silver Springs Hotel.



Brendan Hyde, Hyde Auctioneers Carrigtwohill; Colette Moore, Old Moore Properties, Clonmel and Des Moloney, Moloney Auctioneers, New Ross at the IPAV Seminar.



Jim Burns, Jim Burns & Co., Killorglin; John Buckley, John Buckley Auctioneers, Killarney and Darragh Burns, Jim Burns & Co., at the IPAV Seminar.



Elaine Bogue, Global Properties Cork City; Michelle O'Sullivan and Margaret Sexton, O'Connell Auctioneers, Mallon at the IPAV Seminar.



Mark and Marian Rose, Rose Property Services Douglas Road, Cork at the IPAV Seminar.

Large turnout for Cork IPAV Seminar

There was a turnout of almost 100 auctioneers from Munster and beyond at a Seminar on regulation for the profession organised by IPAV in Moran's Silver Springs Hotel, Cork on the evening of Tuesday, September 17.

IPAV Chief Executive Pat Davitt welcomed IPAV members and non-members before giving an up-to-date briefing on the requirements of the National Property Services Regulatory Authority and the powers of the Regulator.

This is the second year of the new regulatory regime whereby all licensed auctioneers and valuers must apply to the Authority each July for a license to practice.

Further IPAV seminars will take place in Claremorris, Co. Mayo on Tuesday, October 15 and Portlaoise on Wednesday, November 13.



The Organising Committee of the Cork IPAV Seminar (l-r) Back: Richard Nagle, Tim O'Connell, Pat Carroll. Front: John Shaw, Ronald Duff and Pat Davitt.



Joanne Fleming, Fleming Estate Agents, Castleisland, Co. Kerry and Catherine Pomeroy-Murphy, Dick Pomeroy & Co., Millstreet, Co. Cork at the IPAV Seminar.



Declan Barry, GVM Auctioneers, Limerick; Noel Mackey, Property Team Noel Mackey, Youghal; John O'Connell, GVM Auctioneers, Limerick, Ronald Duff, President IPAV and Richard Ryan, GVM Auctioneers, Kilmallock at the IPAV, Seminar.



Cork South Mall Auctioneers at the IPAV Seminar (l-r) Kevin Barry, Barry Auctioneers; Jeremy Murphy, Jeremy Murphy & Associates and Alan Browne, Murray Browne Auctioneers.



Cork IPAV Members at the Seminar (l-r): Richard Nagle, Global Properties, Ballincollig; Malcolm Cotter, Malcolm Cotter and Associates, Fountainstown and John Collins, John Collins & Associates, Parliament Street.

Ashgrove Auction Rooms thriving in midst of recession



AS THE RECESSION CONTINUES OR BEGINS TO BOTTOM OUT, AUCTION ROOMS ARE STRIDING AHEAD, PARTICULARLY WITH THE ASSISTANCE OF INTERNET AUCTIONS. TIM RYAN PAID A VISIT TO ASHGROVE AUCTION ROOMS NEW PREMISES IN NAAS, CO., KILDARE WHERE HE SPOKE TO ITS DIRECTOR, IPAV MEMBER SEAN EACRETT.

Ashgrove Auction rooms, the firm founded in 2005 by IPAV member Sean Eacrett has recently expanded by opening new auction rooms in Naas, Co. Kildare. Fine art & Antiques, General and specialist sales are held on the 2nd and 4th Tuesday of each month, alternating between the original auction rooms in Ballybrittas and Naas.

“We had to expand to a second premise because we just could not turn around the rooms in Ballybrittas every two weeks,” says Sean as he talks in between answering questions from curious viewers in the Naas Auction Room on a Saturday morning.

The method used is very methodical and professional. At a specialist auction he gets through 120 items per hour starting at 2pm and continuing until around 10pm. At a general auction he will get through 150 items per hour. This regularity is important he says so that online viewers can know roughly when to log on to the sale and do not have to spend the entire day at an auction having viewed the items or items they are interested in during one of the viewing days. Bids are taken from the floor, on the phone, online and also left with the auctioneer where he will bid on clients' behalf.

Full service

There are many reasons why selling at auction is a wise alternative to selling unwanted items privately. Principally, however, the overriding reason is to obtain the highest possible price on the open market. There are no fixed values for antiques and because of the publicity and competition, bidding at a properly organised auction often results in prices exceeding those that can be obtained from a private sale or by other means. Since they work for the vendors on a commission basis it is in their joint interest to realise the maximum price for each item.

Sean and his team offer a full service to vendors. For example, if it is an executor sale, they will take all the furniture, sell whatever is possible and dispose of the remainder. Their specialty is relieving clients of all the worry and work involved. They undertake the whole job of sorting, listing appraising, removing all items, and leaving the empty house presentable and ready for sale.

Indeed Sean is happy to offer a service to fellow IPAV members who may be seeking an outlet to dispose of various odd items which, while difficult to sell on their own, would fit very well into one of the regular sales.



“We had to expand to a second premises because we just could not turn around the rooms in Ballybrittas every two weeks.”



Sean Eacrett beside a Wurlitzer Victory Jukebox, circa 1943/44 with a guide price of €3,500 - €4,000

Having been through a lull during the Celtic Tiger era, auction rooms are becoming very popular again, he says with those downsizing, in financial difficulty and those with spare cash seeking a good bargain.

“Clearly I come across very difficult cases of hardship where a lady might be disposing of her jewellery or personal effects and we can do that for her in a professional way,” he says. “We take everything from a needle to an anchor and will try and give it as broad an audience as possible. In fact Ashgrove Auction Rooms have developed a reputation for sales having ‘Something for Everyone.’”



Sean Eacrett shows the back of a very fine Chinese expert blue and white porcelain charger shipwreck bowl, possibly 17th Century. Crustaceans and packing case segments are fossilised on the base. Guide price €1,000 - €2,000.



Ashgrove was the first auction rooms in Ireland to offer online bidding to its customers on a monthly basis, leading the way in embracing the most up-to-date technological capabilities of the auction business. Today, around 30 per cent of sales are from customers on the internet with the majority of these still from within Ireland but showing an increasing trend to bid online in keeping with shopping and other similar trends.

Given the unusual surname, Sean can trace the Eacrett name back to the arrival of the first ancestors from Normandy in 1796. (The name itself derives from the French verb écrire, to write). Séan started his own antiques business in Francis Street where he operated a well-known outlet for a number of years before deciding to return to his native Ballybrittas where he built a 30,000 sq foot auction and store rooms. His mother Merle Eacrett, now aged 76, ran the business with him on Francis St and today is still the financial controller of the group which saw turnover increase from €850,000 in 2011 to €1.3 million in 2012. With the opening of the Naas branch, Sean estimates an improved yearly turnover of upwards of €3 million.

Good demand

With spending power limited in the current economic recession, Séan says there is good demand for items fetching up to €2,000 or so, but beyond that figure budgets are tighter and it can be more difficult to realise the reserve. The average number of items listed for each of the twice monthly sale is 1200 though this can vary from time to time. An average success rate of 80 per cent is achieved and both vendor and buyer pay a commission of 20 per cent, inclusive of all taxes. If a particular item is not sold, then the vendor can either reduce the reserve or take it back again at no cost. “I like to provide a service for the vendor who, after all is the owner and is entitled to decide what to do with their own goods.”

The strangest of things can happen during auctions, he says. As an example, he instances the recent sale of an enamel pharmacy sign measuring 5' x 2'6" which fetched €900. An oil painting by an unknown Thai artist fetched €850. “There is a ready market for anything vintage,” he says.

The firm currently employs six full-time staff and 14 on busy auction days. And there is further potential, he says for jobs in a rural part of the Midlands which has suffered badly from unemployment.

Outside of organising auctions, Séan Eacrett enjoys a game of golf to relax. He is married to Sinéad who runs her own successful Brockhill Boarding Kennels in Ballybrittas. Sinéad has also taken up running as a sport recently and has won a number of races. The couple have three children, Kate (10), Lilly (6) and Ewen (4).

Ashgrove Auctions take place on the 2nd and 4th Tuesday of every month, beginning at 2pm. For further information log onto www.ashgrovegroup.ie

The enthrallment of Goya's famous painting



In addition to the IPAV's popular Diploma and Certificate courses in the Fine and Decorative Arts, this Autumn the IPAV is running two new courses for its graduates, one on the history of Spanish art and culture and another on the history of Irish art.

Here, Sara Donaldson (left) highlights a painting from the National Gallery of Ireland, Goya's Doña Antonia Zárate, a portrait that has enthralled the public for many years due to the enigmatic expression of the sitter's face and the dramatic events surrounding the painting's movements in the last three decades of the Twentieth Century.

Francisco de Goya (1746-1828) was born in Aragon but was of Basque descent. He trained in Zaragoza and married Josefa Bayeu, sister of one of his teachers Francisco Bayeu. His marriage marked a turning point in his career: through Bayeu he gained access to the court circle in Madrid and became painter to King Carlos III in 1786. His career prospered and he acquired distinguished patrons including several noble families, but in the winter of 1792-93 Goya was struck by a serious illness which left him deaf. This crisis released a darker and highly creative vein in his work, which found expression in his first series of etchings, *Los Caprichos* (published in 1799).

During the first decade of the Nineteenth Century Goya painted some of his greatest masterpieces (including *Doña Antonia Zárate*) and created his second set of etchings, the *Disasters of War*. A second, almost fatal illness, in 1819 resulted in the disturbing 'black paintings' with which he covered the walls of his villa, the *Quinta del Sordo*. He later settled in Bordeaux where he worked until his death. Though primarily known as a portraitist, he also painted religious, mythological, political and genre subjects.

Arguably the National Gallery of Ireland's most important painting by Goya is his oil portrait of *Doña Antonia Zárate*, which dates from c.1805-06. Born in Barcelona, *Doña Antonia Zárate y Aguirre* (1775-1811) became a leading actress in Madrid. The daughter of the actor *Pedro de Zárate Valdés*, she married the singer and comic actor *Bernardo Gil y Aguado* and their son *Antonio Gil y Zárate* was a celebrated poet and playwright. *Doña Antonia Zárate* was one of several stage personalities painted by Goya, who greatly admired the theatre and its protagonists. He counted playwrights, actors and actresses among his friends and depicted the actresses *Rita Luna* and *María del Rosario Fernández*, who was known as 'La Tirana' (*The Tyrant*), the actor *Isidro Maíquez* and his close friend the playwright *Leandro Fernández Moratín*.

This painting of *Doña Antonia Zárate* is one of a number of beautiful female portraits created by Goya in the first decade of the Nineteenth Century. Most scholars agree that it dates from about 1805 when *Doña Antonia* was thirty years old. She died six years later in 1811. She posed again for Goya prior to her death (c.1811) and that bust-length portrait, with her head enveloped in a white silk scarf, is in the Hermitage Museum in St. Petersburg.

Black and yellow

In the National Gallery's portrait, Goya accentuates her dark-haired beauty by the masterly use of black and yellow. Her black velvet gown and black lace mantilla contrast brilliantly with the yellow settee on which she sits. Goya almost certainly painted her from life, perhaps in his studio. The settee, upholstered in silk damask in the style of Louis XVI, may be the one cited in the 1812 inventory of goods divided between Goya and his son, *Javier*, which mentions "eight armless chairs in yellow damask . . . a matching divan". The divan, like a shining stage, is painted with free impressionistic brushstrokes and was used by Goya in at least two other portraits.

Goya has eliminated props and details of setting in order to focus on the character of the individual. This portrait contains no pomp and ceremony. Goya had a deep sympathy for and empathy with women. His perception of women was essentially modern: he did not see them merely as objects of desire but endeavoured in his portraits to capture their psychological intensity. *Doña Antonia* exudes a natural elegance and dignity that suggests internal composure and confidence. Her expression is hypnotic: her gaze is distant and internalised. Her dark brown eyes are tinted with sadness: a hint of melancholy envelops her, yet her lips barely conceal a discreet smile.

Doña Antonia's wife was noted for her dress-making skills and he developed an interest in costume, as is evident in this portrait. *Doña Antonia* wears a short-sleeved, low-cut, high-waisted or 'empire-line' gown with raised lace at the borders, highly fashionable in the first decade of the Nineteenth Century, a time when French fashions prevailed among Spanish women. With her hands elegantly posed, *Doña Antonia* holds a closed white fleco (fan), perhaps of ivory, and her forearms are covered with white fingerless gloves.

The Spanish mantilla was always either black or white and how it was worn became a minor art form. It could be crossed over in front, with the ends tied at the back, or draped softly in front, with the ends hanging naturally over the shoulders, as in this portrait. Goya found it a most engaging accessory that

could tantalise the male viewer by both concealing and revealing a woman's face and torso. The dress historian Aileen Ribeiro has suggested that in his portrait of Antonia Zárate, Goya painted perhaps his most subtle and beautiful mantilla, of finely textured embroidered black silk net. Antonia's transparent mantilla and sparkling drop earrings appear finely executed from a distance, but upon closer inspection they are revealed as a network of loosely applied brushstrokes. Goya could create the illusion of minute detail and was skilful in painting the essence of fabric as well as its reality. Yet every aspect of her costume is handled with great sensitivity and delicacy.

Sir Alfred Beit

This portrait remained in Antonia Zárate's family in Madrid until at least 1900. By c.1911 it was in the possession of the London art dealers M. Knoedler & Co., from whom it was purchased by Sir Otto Beit. In 1930 his son Sir Alfred Beit inherited the portrait and later brought it as part of his renowned collection of art and antiques to Russborough House in County Wicklow, where it remained undisturbed until 1974.

In April of that year, the British heiress Rose Dugdale and three Irish accomplices from the IRA stole nineteen paintings from Russborough House, including Goya's Antonia Zárate. They pried the canvases out of their frames with screwdrivers or hacked them out with knives. Happily all of the paintings were recovered a week later at a remote cottage in Glandore, West Cork and returned to the Beits in Wicklow.

Twelve years later, in May 1986, Russborough was burgled again. This robbery was led by Martin Cahill, a.k.a. The General. Cahill and his team took eighteen paintings from the house, including the Goya, a Rubens, a Gainsborough, two Metsus and a Vermeer. In response to the robbery, Alfred Beit announced to reporters at the time:

"It is not me that has been robbed this time – it is the Irish people since the collection is now in trust for the state."

Sir Alfred had spent almost a year negotiating the terms of an extraordinary gift to the National Gallery of Ireland, which included the Goya and the Vermeer. At the time of the robbery the gift had been weeks away from moving to Dublin; the pictures stolen from Russborough in effect belonged to Ireland - the Beit gift was finalised in 1987.

The paintings were initially hidden in the Wicklow mountains. In 1987, some of them, including the Goya and the Vermeer, were moved to a house in Tallaght, and were transported around Dublin at regular intervals. The paintings were eventually wrapped in quilted blankets, hidden in the false bottom of truck and driven to Dun Laoghaire and onto the ferry to Holyhead. The cache was split up and concealed in various locations in England, but four of the paintings, including the Goya, were again placed in the false bottom of a truck which went by ferry from Dover to Ostende. From there they then went to Antwerp into the possession of a diamond dealer, who moved them to a bank in Luxembourg.



Portrait of Doña Antonia Zárate, c.1805-1806
Artist: Francisco José de Goya y Lucientes (1746-1828)
Oil on canvas, 103.5 x 82 cm
National Gallery of Ireland Collection
Photo © National Gallery of Ireland

Damaged

Finally, they were returned to Antwerp where, in 1993, in the car park of the airport, police (in a seizure involving the Irish and Belgian police and Scotland Yard) recovered from the boot of a car the Vermeer, a Metsu, a Vestier and, inside a golf bag, rolled up like a poster, the Goya. Of all the paintings stolen from Russborough, Goya's Antonia Zárate was the most severely damaged. Having been roughly rolled, paint had flaked off in several places. Prior to that, the canvas had been sliced from its frame with a razor or sharp knife, and there were slice marks on the surface where the blade had slipped. The fate of the Goya had a special poignancy for Sir Alfred Beit. In a note on the Beit collection written while the pictures were still in Martin Cahill's hands, Sir Alfred had confessed that the missing portrait had affected him for personal reasons:

"The sitter, Doña Antonia Zárate, is far from being a sentimental woman (indeed quite the reverse) but it was under this picture that I successfully proposed to my wife, and lived happily ever after."

Ultimately, Antonia's lovely portrait also lived happily ever after, undergoing expert restoration and conservation treatment at the National Gallery of Ireland, where she resides today. Ever popular with the public, she graces the cover of the National Gallery of Ireland Diary for 2013, which was researched and written by this author.

Sources of Information:

Janis A. Tomlinson (ed.), *Goya: Images of Women*, National Gallery of Art, Washington, 2001-2002

Rosemarie Mulcahy, *Spanish Paintings in the National Gallery of Ireland*, Dublin, 1988
Sara Donaldson lectures in the History of Art, Design, Costume and Fashion at Griffith College Dublin and on the Fine and Decorative Arts Course at the IPAV.

New courses from IPAV's Fine & Decorative Arts

Two new and exciting courses have been added to IPAV's existing range of courses in the Fine & Decorative Arts this Autumn.

'A Trip through Ireland's Past' and Present will concentrate on visual culture, architecture, art, dress, design, the Irish garden, furniture of James Hicks and many other interesting topics with leading lecturers associated with Irish Art History.

The second course, 'The Spanish Experience', will look at Spanish Cultural History, its painters, architects, the great buildings of Spain, furniture, interiors and Spanish

Culture. A trip to Madrid and Toledo will take place in September 2014.

The two new courses are among the wide range of courses IPAV is now offering for the 2013/2014 academic year.

All courses are designed to provide an opportunity for students who are interested in the Fine and Decorative Arts to pursue their interest in a supervised and very well structured manner.

For some it may lead to a rewarding career, while for others it may be the fulfilment of a personal ambition to develop and sustain knowledge picked up over the years.

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 (Mon – Wed) for one academic year. This is the only full time course in the appreciation of fine and decorative arts in Ireland and began on Monday, October 7.

Suitable for all age groups, it attracts students not only from Ireland but from many other parts of the world. The syllabus is a broad and flexible one, with the emphasis on identifying art objects in their historical context.

Lecturers are drawn from the commercial art world as well as from the universities and art colleges. Topics covered include the History of Furniture, the History of Painting, the History of Architecture and the History of Silver.

Students also benefit from study trips during the year to cover the main museums, art galleries and some historic houses. Students are also welcome to partake in an organised and guided annual weekend trip to the UK, visiting famous galleries, museums and stately homes complimenting the course subjects.

A particular requirement of the course is the preparation and submission of a written dissertation by students on a subject of particular interest to themselves, allied to the course. The project is carefully selected in conjunction with their lecturers and is undertaken with the personal supervision of an individual lecturer.

The Certificate Course is part-time and runs one evening per week (Tuesday) from October to May and commenced on October 8. The Certificate course is a condensed version of the in depth Diploma course in which lecturers give a broad introduction to the various subjects. It is ideal for people who have an interest in the field but who cannot attend the day course.

Details of all Fine & Decorative Arts courses as well as application forms for download are available on the website www.fineartcourses.ie.

Further information and application forms are also available from IPAV Head Office at 01 – 678 5685 or e-mail info@ipav.ie.

Fine & Decorative Arts Courses

Diploma in Fine & Decorative Arts (1 year)

Lectures held three days per week
IPAV Headquarters, 129 Lower Baggot St., Dublin 2

Certificate in Fine & Decorative Arts (1 year)

Lectures held one evening per week
IPAV Headquarters, 129 Lower Baggot St., Dublin 2

A Trip through Ireland Past and Present (16 weeks)

Lectures held one day per week.
IPAV Headquarters, 129 Lower Baggot St., Dublin 2

The Spanish Experience (16 weeks)

Lectures held one evening per week. Includes trip to Madrid and Toledo in September 2014.
IPAV Headquarters, 129 Lower Baggot St., Dublin 2.

Positive signs in South County Dublin property market.

BY LIAM QUAIN, WYSE



I recently took up a new position with Wyse, a company specialising in Property Management, Letting and Sales based on Baggot Street on the south side of Dublin City. I had previously spent six years working for former IPAV President Patrick Carroll in North Cork & South Limerick. What immediately struck me was the stark difference between the property markets in the two areas.

In my previous position, I had noticed over the last few years, that the stock of properties coming on the market was quite low, given the large geographical area being covered by our firm. On top of this, levels of interest were at an all time low, with viewings and offers few and far between. The stagnation in the market over the last couple of years has been driven by fear that the prices had yet to reach the floor. In addition, a huge problem has been the lack of funding from the financial institutions for potential buyers.

By way of contrast, in my short time in Dublin I have had a much more positive experience. Over the past few years, vendors were reluctant to place properties on the market. However, there are now definite signs of an end to this situation. Many home-owners now feel that the market has bottomed out and are more comfortable with going to the market. In many cases not only are multiple viewing the norm but so also are multiple bidders! This is especially the case in the more desirable areas of Dublin and also in the much sought after family home market.

Cash buyers

We have all witnessed the collapse in the property market since 2007 and I, for one, am happy to take any positives that appear in the sector. There is a long road ahead but the increase in "Sale Agreed" and "Sold" signs around South County Dublin is a very welcome sight. It is widely reported that the improvement is based in specific areas of the city and for specific types of dwelling. In Wyse, we would see the greatest level of interest in 2 & 3 bedroom homes and family homes in well located areas. The improvement in the Dublin property market is also being aided by the fact that a large proportion of purchasers are cash buyers. In our office cash buyers currently account for in the region of 60% of all sales.

The upturn in property prices in South County Dublin can be attributed to a shortage of suitable properties being placed on the market in addition to the virtual standstill in the construction sector. In my short time showing properties in the area, a common opinion being expressed

by potential purchasers is the fact they find themselves being outbid for properties in their preferred locations and that asking prices are being met and indeed exceeded in many cases. It would appear to be a simple case of supply not meeting demand in these areas. Affordability will play a major role in any potential recovery. With increased taxes, another harsh Budget, along with the public sector cutbacks; perhaps the apartment market, which has suffered most, will become a viable option for would-be purchasers.

It remains to be seen if the improvement is here to stay and there is no doubt that this upturn applies to specific areas only. Indeed the gap between Dublin prices & the rest of the country continues to widen. According to Ronan Lyons of Daft.ie: "Year on year Dublin asking prices are up 5% while they are down 10% in the rest of the country." This gap will continue to widen unless the financial institutions begin to engage with genuine buyers who fit essential criteria. We have all seen where reckless lending can lead, but the current lack of funding from the banking sector is not assisting the recovery.

It is important to note that this apparent improvement is occurring against a backdrop of Dublin prices having dropped over 50% on average from their peak and in many cases much more. There are still many hurdles to be cleared before we can say that the worst of the collapse is behind us but I am happy to embrace any positive signs in the market!



A 3 Bed Semi, No. 80 Trimleston Park, Booterstown, County Dublin which sold for €435,000

Does money really grow on trees?

Interest in Ireland's private forests is growing fast as a result of a huge demand for timber and timber products. A clear opportunity now exists for IPAV members to identify suitable pockets of land for forestry and to make the link with one of the forestry companies. Tim Ryan discussed the state of the private forestry industry and opportunities with Padraig Egan, Managing Director of SWS Forestry Services.

Despite the economic recession Ireland's private forestry industry is thriving. In fact forestry is one of the economic areas of activity that is never unduly influenced by the state of the economy and it tends to carve an independent path.

According to Patrick Lawless, CEO of Apian Asset Management, forestry has given good long-term returns with low volatility. "It's an asset class that appears to have demonstrated a low correlation with other asset classes – it doesn't necessarily fall when other asset classes fall nor does it necessarily rise when other asset classes rise."

The country's private forestry is now becoming an important source of wood and energy as many forests established by farmers 20 or more years ago are now entering their first thinning stage. According to Teagasc, the Agriculture and Food Development Authority, direct output from the growing sector of forestry alone in 2010 was €378 million. For every one million euro in expenditure in this sector a further €780,000 in expenditure was generated in the rest of the economy. In addition, direct output in the wood products sector (i.e. panel board mills, sawmills and other wood products sector) was €1.3 billion. The total value to the economy was estimated at €2.2 billion. Employment in the total forestry sector is now of the order of 11,000.

Conditions for timber production in Ireland are excellent. Ideal soil conditions, high rainfall and a mild climate combined with a low incidence of environmental pollution combine to give the country the highest growth rate for forests in Europe.

Having been sluggish for many years, the level of planting has been rapidly increasing in recent years. The total forest area in Ireland increased to over 750,000 hectares in 2011 and now represents about 11 per cent of the land area. According to Padraig, MD of SWS, who along with Greenbelt are the two largest providers of forestry services, there is no reason this cannot increase to 15 or 16 per cent over the next 10 years. And forestry pockets do not have to be of huge size. The average size of a privately owned forest in Ireland is 8 hectares (20 acres).

Padraig Egan says farmers with suitable land can either have the land planted themselves or sell it to



Padraig Egan

an investor. Grant aid comes in two forms, an annual premium paid directly to the landowner for 20 years and an afforestation grant scheme to cover fencing, planting, access, weeding etc.. The premium depends on the type of trees planted and can vary from €173 per hectare to €208 per hectare for oak and beech. The grants (€3,400 per hectare) normally go directly to the forestry services company and the landowner has no involvement whatever in the project allowing for the location to be generally irrelevant. Grants are payable in two instalments. Three quarters of the grant is payable on planting and the balance is payable after four years following inspection and approval. Throughout the entire cycle, the investor remains the owner of both the land and the crop.

In addition, says Egan, all profits from forestry are exempt from income tax and Capital Gains Tax – but not from the Universal Social Charge (USC).

Patrick Lawless of Apian Asset Management says that since 1994, forestry has delivered an average of 5.65 per cent per annum, which is a very strong and consistent performance despite the economic recession. Growing for the Future – A Strategic Plan for the Forest Sector in Ireland estimated the real rate of return in forestry (sitka spruce) at 5 per cent including land costs.

But are there any downsides to investing in forestry? According to Padraig Egan there are a few but these can be reduced significantly. The first is disease and he immediately points to the recent detection of ash dieback disease (*Chalara fraxinea*) which he says should never have been allowed to happen. On 12th October 2012, the Department of Agriculture confirmed Ireland's first case of *Chalara fraxinea* infection in a young forestry plantation in County Leitrim which had been planted with imported trees. The trees on this site and on all ten other sites planted with the same batch of trees were subsequently destroyed under Department

supervision. Following this first finding, the Department undertook a major survey of ash and continues to survey for this disease in forestry plantations, nurseries, roadsides, farms, etc.

The second threat is fire but here Padraig Egan says care should be taken as to the location of the forest. Closeness to heather can be a hazard whereas the presence of a road or a river virtually guarantees security.

In identifying suitable pockets of land for forestry Padraig Egan says IPAV members

should bear a number of factors in mind. These include the size of the area, (clearly the larger the area, the more efficient to manage), the quality of the land (the presence of strong rushes is always a good indicator) and proximity to a processing plant (distance from a plant can add €10 per tonne in transport costs). An additional beneficial factor might be the presence of an old cottage which might allow for the building of a house at some future point or the erection of a wind turbine, an increasing source of income for many farmers (current payments for

turbines are in the range of €18,000 to €25,000 per annum per turbine). Prices vary and currently the going rate varies from €3,300 to €4,000 per acre.

As the private forestry sector grows, so too does activity in the market with owners selling off plantations at various stages of their growth cycle. Thus, says Padraig Egan, a forest plantation is an asset that can be realised throughout its lifecycle depending on the age and circumstances of the owner.

“Good prices will always be paid for forests that have good quality timber as well as good road access and that are well managed,” says Padraig Egan. Timber from first thinnings is likely to be the major component in the growing demand for biomass while the prices being paid for second and subsequent thinnings continue to be buoyed by the more valuable pelletwood segment of the market.

Overall private forestry is among one of the brighter beacons which can help lift the Irish economy out of recession as well as providing a steady, regular income for those who choose to invest in it.

For further information on forestry and its potential log onto www.swsforestry.ie



Padraig Egan with Alec Moony, SWS Midlands Forester and Emily Fitzgerald, Snr. Administrator, Cork Head Office.

Clarity for Tenants Needed as Rent Receivers become more prominent



The Minister for Housing and Planning, Jan O'Sullivan, TD, has indicated that she is examining potential changes to the law to provide greater clarity to tenants when a receiver is appointed to their rented accommodation.

Minister O'Sullivan made her comments as she acknowledged the work the Irish Banking Federation (IBF) has done in producing an information leaflet entitled, “A Residential Tenant’s Guide to Receivership”.

“The numbers of receivers appointed to rental properties is increasing and this can be a very confusing time for tenants who often feel caught between their established landlord and the newly appointed receiver. For most tenants this is an entirely new situation and it is incumbent on all involved in this process to give tenants certainty and clarity. The new IBF information guide is a valuable contribution in this regard.”

The guide explains that where a receiver is appointed to a rented residential property the rent should be paid directly to the receiver and that a receipt should be given by the receiver to the tenant. The leaflet also advises that urgent repair requests should be directed to the receiver in the first instance. The guide also addresses the question as to who should return the tenant’s deposit in a receivership situation. While individual receivers may return a deposit, the legal responsibility for return rests with the landlord to whom the deposit was originally paid.

“While improved communication for tenants is welcome I believe that we need to look at the law to bring greater clarity to the situation. At the heart of the issue is whether a receiver appointed to a property takes on the responsibilities of the landlord or is the receiver solely concerned with recovering value from the asset. At present that situation isn’t entirely clear and it is the tenant who may be disadvantaged as a result. Therefore I want to explore the possibilities for making legislative changes in order to ensure clarity and certainty for tenants.”

After The Perfect Storm ... Come The Perfect Algarve Bargains!



AFTER THE PERFECT FINANCIAL STORM OF THE PAST FIVE YEARS, INVESTORS ARE FINDING IT HARD TO REGAIN THEIR NERVE. ON THE OTHER HAND, SOME LOCATIONS THAT WERE PATENTLY A GOOD IDEA BEFORE THE STORM REMAIN A GOOD IDEA TODAY – AND THE ALGARVE IS ONE OF THOSE, SUGGESTS PETER CLUSKEY.

It's dangerous to say these things, but it's looking like a broadly positive Autumn. Ireland remains on course to exit the EU-IMF bailout by the end of the year. The Euro is still with us and looks unlikely to collapse. The property market has begun to revive across the Irish Sea, and not just in London. And even some of our favourite buy-to-let markets of the past are looking quite chipper again.

For most of us the Algarve was at or certainly near the top of that list of favourites. A quality location, with easy access by air, friendly people, great food, unspoiled countryside and some of the best-value gated holiday developments this side of the Atlantic, especially if you're a golf enthusiast, it had everything. It still has, in fact – except that now it's a whole lot cheaper.

Not that the Algarve somehow magically escaped the collapse of the financial markets and the near-demise of the Eurozone. Of course it didn't. Like Ireland, Portugal too has been bailed out by Europe and the IMF. And like the Irish, the Portuguese have been struggling to meet the punitive terms of their rescue package while at the same time trying to inject a spark of growth into a battered economy.

That economy has just experienced ten consecutive quarters of contraction and unemployment currently stands at a 16.4 percent. But even here, despite deep political differences over how to proceed, there are some green shoots in sight. New figures show there was GDP growth of 1.1 percent in the second quarter of this year, the first growth since 2010 – generated by a welcome increase in exports, always a key economic indicator.

So, just like Ireland, Portugal is holding its breath in anticipation of just the merest hint of an upturn.

Golden Triangle

If you know where to look, however, particularly in what are regarded in property terms as “secondary locations”, such as around the town of Albufeira, for example, you'll find the same ramshackle unfinished developments that still haunt parts of post-boom Ireland.

On the Algarve, however, the good news is that these are very much the exception. The so-called “Golden Triangle”, bordered by Quinta do Lago and Vilamoura to the south and Loulé to the north, remains as desirable as ever, and is currently recovering from a typically busy, if slightly more low key, Summer season.

To look out over their beautifully maintained fairways and greens you'd never guess that whereas in 2005 or 2006 you'd have had to join a year-long waiting list for a townhouse or apartment at a well-known golf resort in the Triangle, now you'll almost certainly be able to buy in right away, at anything from 10 to 20 percent below the highs of seven or eight years ago.

Yes, rare though it may be, sometimes value really is value – with properties ranging from €250,000 apartments to mansions valued in their tens of millions.



The Conrad Algarve – a five Star hotel



“There’s no point in pretending that the area has survived the financial crisis totally unscathed”, says Jamie Robinson, a property sales consultant at Quinta do Lago, which opened in 1972 and has two separate golf courses, one of which has hosted the Portuguese Open on no fewer than eight occasions.

“On average, I would say that properties here are down by 10 to 12 percent from their highest point – and that’s despite the fact that we have reasonably consistent demand from golf enthusiasts all over Europe.

“At the same time, as a high-end golf development we’ve weathered the storm reasonably well when you consider that the value of some of the luxury detached homes in the region has dropped by a third and more.

“The reality when you take a long hard look at the market is that in some parts of Portugal house prices have plunged by 40 percent – and probably won’t recover until near the end of this decade.”

The biggest vote of confidence in the Algarve in quite some time came when the five-star Conrad Algarve, part of the Conrad Hilton Group, opened last September just a short walk from Quinta do Lago – predicated on the belief that in lean economic times the “flight to quality” will gain momentum.

In the boom years, the British and the Irish were big buyers here – and they still account for a surprisingly high 55 percent of purchasers, according to latest figures in a new report from the ILM Group, which surveyed 13 leading real estate players in the Algarve market. Swedes, who’ve also had a longtime affinity with this lovely coastline, remain the second-biggest buyers.

Then – surprise, surprise – come the Russians in third place and the Chinese in fourth, though those places seem likely to reverse if current purchasing trends continue.

Golden Visa scheme

Both nationalities, big-time investors given their relative wealth in a pretty desperate Western market, are being attracted by new regulations introduced by the Portuguese government recently which make it much easier for non-EU nationals to get residence papers if they invest more than €500,000. It’s already being called the “golden visa scheme”.

Perhaps not surprisingly in this gilded context, the ILG group survey also revealed that the sale prices of properties being marketed at €1 million or over actually rose by five percent in the first four months of this year compared with the same four months of 2012. Luxury villas rather than luxury apartments represented 46 percent of all sales.

So something positive is happening in the Algarve market. And with such powerful international drivers as the Russians and the Chinese, those price increases could be crucial in reviving the entire local property market – and generating fresh demand for value even at the lower levels.

The Chinese and the Russians are unlikely to skimp on their purchases. But if you need to skimp on yours, you can still find viable buy-to-let properties here. At around €100,000 there’s a range of one-bedroom apartments, many of which will need a quick makeover, but which will probably rent quite comfortably – as well as giving you an attractive trouble-free holiday bolthole every year.

And there is one more feature designed to make buying here attractive to ordinary overseas purchasers, not just the super-rich. There’s no inheritance tax when assets are passed on to close family members such as a spouse or children – and for many buyers that makes a significant difference.

The Chinese Are Coming ... In Search Of Unprecedented Value!

THE Chinese have taken a liking to Portugal – especially since it got into economic difficulty and represents better value than during the over-priced boom years.

They already own 40 percent of its national electricity grid and are eyeing up other privatized industries in need of investment, including shipyards, airlines and large agricultural enterprises.

Believe it or not, cash-rich Chinese investors are expected to buy outright or take a substantial share in Portuguese commercial and residential assets worth more than €100 billion by the end of 2014. That’s €100 billion!

Real estate agents say Chinese buyers have generated sales worth €25 million in just three months this year – mostly sales of expensive properties that would not otherwise have happened without them.

Those three record-breaking months brought total Chinese investment in Portuguese residential property to €1.6 billion. That’s what convinced well-known realtors, Fine & Country, to heavily promote their luxury portfolio at an international property exhibition at the 798 Art Zone in Beijing during August.

“Investors are flocking to buy Portuguese property as an insurance policy against any future political instability in China”, says Charles Roberts, Managing Partner at Fine & Country in Cascais, the wealthy resort 30 kilometres west of the capital, Lisbon.

“The Chinese regard property here as a safe way to store up equity. They also regard Lisbon as a great international hub for education, with good universities and five international schools. And they see now as the ideal time to invest in business and industry because they’re looking for value.”

Just look at these extraordinary figures from a private wealth report by consultants, McKinsey:

- China invested 21 percent more in Europe in 2012 than in 2011
- Around €144 billion a year as been pouring out of China, quite a bit of it as a result of fears about slowing domestic growth
- China’s wealthy are mostly males between 40 and 60, 73 percent of them entrepreneurs or corporate executives
- Some 40 percent of China’s billionaires are already active in overseas investment
- An encouraging 57 percent of China’s high net worth individuals (HNWIs) aim to increase their overseas investments

The big attraction for the Chinese eyeing Portugal is the “golden visa”. This allows a non-EU national who invests more than €500,000 to live in Portugal for five years on a temporary residence permit, after which they can apply for permanent residence along with their immediate family.

Anxious to attract wealthy Chinese, and to a lesser extent Russian investors, 43 European countries are currently offering similar visa-for-investment deals – but the flexibility of the Portuguese model means it’s one of the most popular.

“The idea is to cut the red tape surrounding foreign direct investment, and by doing that the Portuguese are certainly reaping the rewards”, says Charles Roberts.



A buyer's market?

JANE KEALY, SENIOR MANAGER, MORTGAGES AT BANK OF IRELAND,
ON TRENDS AND DEVELOPMENTS IN THE MORTGAGE MARKET

We've heard this phrase 'open for business', but is Bank of Ireland really open for mortgage business?

Yes we definitely are. We are working very hard to promote that we are open for mortgage business and want to assist as many people as possible to purchase their own homes. We are working with all influencers in the market to help promote this message including estate agents, auctioneers, valuers, solicitors, property groups, the Irish Banking Federation and others. Bank of Ireland provided more than €1 billion in mortgage lending in 2012 and we launched a new €2 billion 'First Time Buyer and Mover Fund' last October. Since then we have approved more than €1.2 billion in mortgages and at the end of July this year we launched an additional €2 billion fund in response to existing and anticipated demand.

Is now a good time to buy a property?

Really only an individual or couple can decide if it is the right time for them to buy depending on their circumstances. We do believe there is pent up demand amongst the renter population, particularly in urban areas, who aspire to own their own property. Mortgage affordability has improved hugely with average property prices now 49% lower than the peak in September 2007, and with the continuing low interest rate environment.

In addition, with rents increasing, many people who can afford to take on a mortgage are finding that repayments on a mortgage can sometimes be lower than monthly rent on a similar property, with the added benefit of owning their own home.

How much can a mortgage applicant borrow from Bank of Ireland?

We can consider mortgage amounts of up to 4.75 times an applicant's gross annual income but this will vary depending on an applicant's individual circumstances as each application is assessed on a case by case basis. While we look for dependable income, we can consider applications from customers in contract employment and self-employed and, in the case of a joint application, both incomes are taken into consideration. Our maximum mortgage ranges up to 90% of the property value which means the applicant will need to have saved at least 10% of the purchase price plus costs and outlay. But in fact we are finding that many applicants are putting down higher deposits than that.

How is Bank of Ireland responding to what its customers now need?

It is critical to us as a business that we listen to what our customers tell us and respond to their changing needs with new and innovative solutions:

- We were the first bank to announce a range of product features to enable customers with negative equity on their current home to move to a new home.
- Our latest offering is for customers who need to move home and have a Tracker mortgage with Bank of Ireland. Customers can get a new tracker rate on the portion of the loan they carry forward from their old property for 5 years, at 1% over their current tracker rate.
- We provide a one-stop shop for mortgages and can arrange comprehensive home insurance cover in minutes, and can provide life cover through Bank of Ireland Life.
- Linking in with leading estate agents we are running customer information evenings in Dublin, Cork, Limerick and Galway, to examine the local property market and outline what Bank of Ireland looks for in a mortgage application.
- We are happy to meet customers at a time and place that suits them to discuss their mortgage requirements – many of our mortgage advisers are available to talk to customers early in the morning or in the evening, with a number of our branches now open for mortgage appointments from 8am. We also have mobile mortgage managers who can meet customers out of hours, in their home or place of work.

Tracker mortgages are a big problem for banks – are you trying to force customers off their trackers?

Contrary to some media coverage, Bank of Ireland is fully committed to honouring the terms and conditions of our tracker contracts with our customers.

We do know, however, that tracker customers have needs, and we regularly undertake research to understand these needs. We use research to develop attractive and innovative solutions for our customers, including our tracker customers.

What would you say to customers in negative equity who want to move home?

Many people believe that if their mortgage is in negative equity it automatically means that they will not be able to move home. This is not true. If you already have a Bank of Ireland mortgage, even if your current property is in negative equity, we may be able to provide a mortgage for a new home where you bring the negative equity portion of your current mortgage across to your new mortgage. And this can apply whether you want to trade up or trade down. Even if you are in negative equity with a tracker, come and talk to us.

Applicants must meet certain conditions to qualify but we do want to help so I would encourage any of our customers in this situation to come in and discuss their circumstances with one of our mortgage advisers.

What's it all about?

BY PETER BRADY, CHAIR, IPAV EDUCATION ADVISORY COMMITTEE



I was asked by my aunt's husband who was visiting us in June what all the fuss was about this thing called the Leaving Certificate? It was a subject that dominated most of the media outlets and the day-by-day reports from examination centres created an air of crisis.

I duly explained to him that this was a very special, important and stressful time for young people attending secondary school as it marked the end of that phase of their education and would in all probability determine what they would do with the rest of their lives. As I was explaining this to the bemused man, I found myself reflecting on a system that is currently in turmoil – a dejected workforce, controversial changes by a minister who appears to be hell bent on leaving a personal mark on Education as he did when he was in Finance.

Beware of a politician cultivating reputation! I will say from the outset that I am naturally suspicious of an education system that will allow itself to be dictated to by the demands of the labour market. It smacks of a kind of utilitarianism that calls for people to be judged on their capacity to be useful, to be able to function, to be of some use rather than on their capacity to imagine and feel.

It is easy to recall the worst aspects of this system by a simple reference to the work of Charles Dickens. In his novel *Hard Times*, his description of the school system resonates through the current debate about what students should learn in school. Dickens described a school system that emphasised the significance of facts. Who could ever forget the master of fact himself Mr Gradgrind as he filled the imperial glasses in front of him with fact. Bitzer (representing the world of fact) may have been able to define a horse, but the circus girl Sissy Jupe's knowledge, in contrast, was first hand, intimate and full of wonder for this majestic animal.

Such nonsense was to be removed from her. Sissy was not a name thundered Mr Gradgrind, you will be called Cecilia. What a wonderful touch by Dickens demonstrating in this exchange the cruelty of a system by which the natural wonder and innocence of a child (captured in the name Sissy) was so easily cast aside.

Now there is no doubt but that people like Gradgrind in *Hard Times* believed they were doing good for society preparing young people for the world that waited for them.

However, this quenching of the fancy or the imagination is a dangerous thing quite simply because humans are more than functioning beings; they have souls that require nourishment

too. And so the news emanating from the Leaving Certificate 2013 was of extra points for those taking Honours Maths, the increased numbers taking the subject at higher level, and the new maths syllabus itself. All things bright and beautiful, one might say.

A Prosperous Society

But what are we preparing our young people for? To be techno competent to satisfy the needs of Information Technology giants? To provide a trained workforce for industry and commerce?

On a personal level, I firmly believe that is not the purpose of the Leaving Certificate nor should it ever be. While employers have conveniently used it as a yard stick to measure suitability for employment, they never really considered the nature of the device they were using. Consequently they began to demand more from a system that was not concerned with training young people for anything other than for life itself. The present debate concerns this issue.

The Leaving Certificate is a broad education programme that is aimed at developing the individual by providing a firm foundation on which to build his or her future life. The purpose of all education is to develop the potential within each individual person. And here we might pause a while to consider the problem posed by the two concepts of education and training. Sometimes these are linked in a generic sense to describe the purpose of a particular programme or course. It does not mean that they are natural bed companions.

There is a difference when it comes to understanding what they both imply. Training may be said to be a means by which we learn HOW to do something. Education, on the other hand, emphasises the WHY things happen or exist. I offer the following from a letter to an in house paper in Ohio State University:

The difference? It's the difference between know how and know why. It's the difference between, say, being trained as a pilot to fly a plane and being educated as an aeronautical engineer and knowing why the plane flies, and then being able to improve its design so that it will fly better. Clearly both are necessary, so this is not putting down the Know-How person; if I am flying from here to there I want to be in the plane with a trained pilot (though if the pilot knows the Why as well, then all the better, particularly in an emergency).

The difference, also, is fundamentally that Know How is learning to Think Other People's Thoughts, which indeed is also the first stage in education - in contrast to learning to Think Your Own Thoughts, which is why Know Why is the final state of education.

Indeed, both Know How and Know Why are essential at one moment or another, and they interact all the time; but at the same time, the centre of gravity of education is and must be in the Know Why. (Robert H Essenhigh Ohio State University.)

Crisis

Our present financial crisis has made economists of us all. We tend to lose sight of the fact that we are a society and not merely an economy. We also lose sight of the fact that this country has a rich literary and artistic heritage, more important now as the present proposals emanating from this Government are putting at risk the future of subjects like art and history (to name just two) in our schools. I cannot imagine an Ireland that will not produce artists and scholars like those that litter the pages of world literature and art.

We cannot progress if we do not understand our past. Neither can we continue to dupe ourselves that we have one of the best education systems in the world. I argue that education has been starved of the necessary resources to match that claim. Indeed we are probably living off the reputation of a previous age. The double talk of Governments is staggering. A policy driven by the central idea of the knowledge economy is at odds with talk of increased class sizes, cut backs in resource teachers, the elimination of middle management structures in schools and a policy that strives to increase the numbers attending higher education without providing the necessary funding to pay for it.

It is to quote another of Dickens characters "a muddle".

Know why

It is clear to me that the focus of primary and secondary education must be know why. If we are to produce citizens with the potential to live full and successful lives there is no other choice.

And here we should probably look at the entire education system and ask the question is it necessary for everyone to go to university and obtain degrees in professions and occupations that previously had their own well established reputations and commanded respect? I think not.

Indeed the anecdotal evidence suggests that the present policy of pushing people to higher education has resulted in critical issues arising in education circles that if not addressed will heap disaster on the entire system. There are concerns about grade inflation in the Leaving Certificate, students in higher education institutions who have not the ability to cope with the basic requirements of

Our present financial crisis has made economists of us all. We tend to lose sight of the fact that we are a society and not merely an economy.

their programmes, the consequent drain on precious resources to make up the deficit and the general feeling that graduates may know why but do not know how and vice versa.

It is a muddle indeed. So I argue that the formative years of a young person's life should be concerned with exploration of the why and the how with the emphasis on the why. The objective of the system should be to provide an experience where the student will be able to understand and develop his/her own natural talents and abilities and the society in which he/she lives. It should not be narrowly focused on career alone.

Let employers and higher education institutions determine their own criteria for employment and entry to programmes. It was not too long ago that Universities allowed students to matriculate; maybe it is time to revisit the scheme for all who wish to pursue higher education. It would take the pressure off schools and students and allow for more emphasis to be placed on subjects that may not now be perceived as 'important'.

Therefore, while the state will agree or acknowledge the importance of education, it is failing to channel sufficient resources that can be used to promote and support educational institutions and activities. It is important to acknowledge the implications for society if this policy is to continue.

The more educated (know why) individuals there are in society, the more developed that society becomes. Unfortunately the emphasis today is focused on the view that education is a way to enhance a person's own individual needs. This has fed the belief by some that they are autonomous and society is an alien concept. This can lead to great individual unhappiness.

If we are to find permanent solutions to the problems that presently confront us we must provide the means to do this. In this respect, education should be able to create individuals who are assets to society at large and not merely the products of a self-centred know-how system.

Pictured at the all-Ireland Football Final between Dublin and Mayo in Croke Park were (l - r): Ronald Duff, IPAV President, Micheál O'Muircheartaigh and Mayo supporter Jack Collins, Castlebar. Jack is a son of IPAV Council member Thomas Collins and his wife Ann. IPAV wishes Ann a speedy recovery from her current illness.





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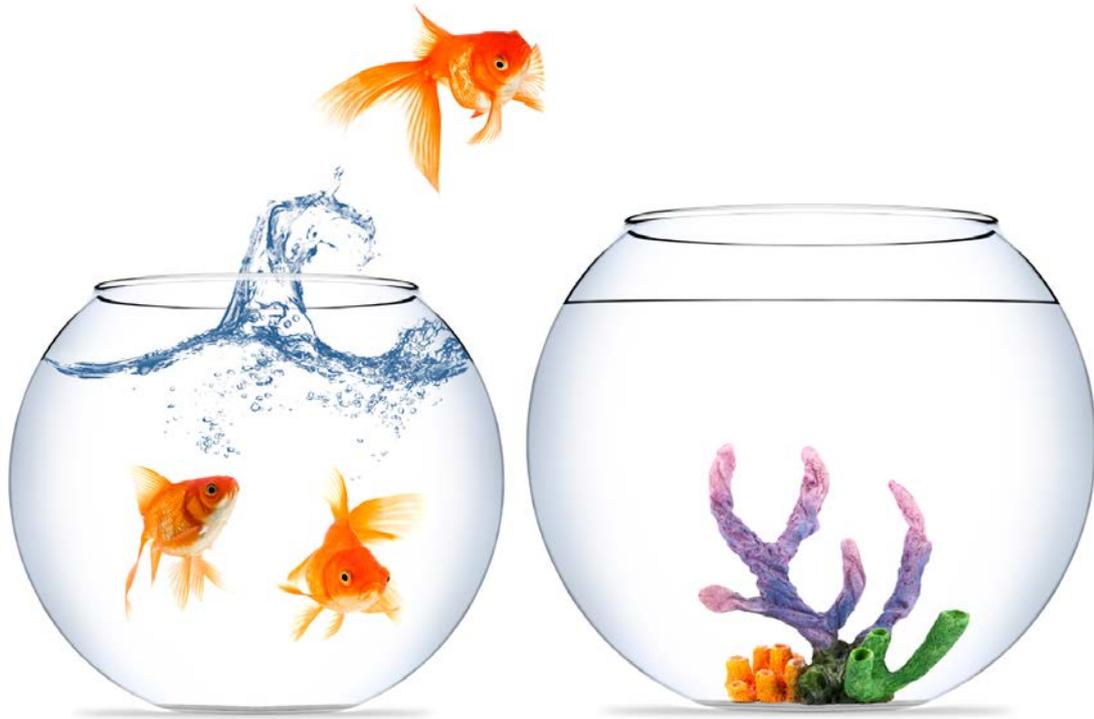


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