

THE PROPERTY PROFESSIONAL 2014 SPRING

**SPECIAL
BLUE BOOK
EDITION**



**INSIDE
PICTURE SPECIAL:
REV CERTIFICATE
PRESENTATION**

The Chairman of TEGoVA, Roger Messenger and Minister of State for OPW, Brian Hayes TD, presenting IPAV's Frank Regan, New St., Longford with a REV Certificate

The European Group of Valuers' Associations



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Based on the average number of fully completed AIB mortgage applications from September 2013 to February 2014.
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Message from the CEO

Dear Member

We are already well into the Spring of 2014 and IPAV is continuing with an intense programme of activity on many fronts. Our AGM and Annual Conference are looming large on the horizon as they take place in Donegal on May 9th and 10th. I look forward to meeting many of you during that weekend which has a very strong social aspect as well as updating your knowledge on developments in the property industry.

To mark IPAV's affiliation to the TEGoVA, the Association of European Valuers and the presentation of the first REV Certificates to 62 IPAV members, we have decided to make this issue a special 'Blue Book edition'. IPAV's association with TEGoVA has been a major landmark in the Institute's development and will allow members access to the valuation panels of all financial institutions into the future.

January 6th was a very historic day for IPAV when the members received their Certificates and we have dedicated the centre pages of the magazine to the occasion when the Chairman of TEGoVA, Roger Messenger and the Minister of State for OPW, Brian Hayes, jointly did the honours. The second cohort of IPAV members is now undertaking the course at the Institute of Technology, Tallaght and I wish them well.

On Thursday, February 27th I was delighted to be among a small number of people asked to make a presentation at the Mansion House on IPAV's views on a proposed vacant site levy which has been proposed by the Lord Mayor, Councillor Oisín Quinn and a summary of my remarks is on pages 4 and 5.

On page 21 we have details of the new building regulations which came into force on March 1. Our member feature in this issue focuses on Jeremy Murphy who runs a busy practice on Cork's South Mall. Jeremy opened his business during the recession and I think there are lessons there for us all.

We have a picture special on IPAV's very successful Rural Affairs Seminar which took place in Ballykisteen Hotel, Co. Tipperary on February 4th and in a follow-up article, newly appointed Minister of State Tom Hayes outlines the main challenges facing agriculture today.

In our overseas spot, we look at the effect the new Crossrail project may have on property in Central London and in our 'Mainly for Students' slot, Peter Brady looks at how students might relate theory to practice in the working environment.

I hope you enjoy reading this issue and, as always, please feel free to send me your comments and suggestions for future editions at any time. Please also note that back issues of the magazine are available on our website www.ipav.ie.

Best wishes always

Patrick Davitt
 CEO

Contents

Buy to Build it:	page 4
Rural Seminar:	page 6
National Conference:	page 8
What's going on in the Private Rental Sector:	page 10
REV Conferrings:	page 12
Member Feature:	page 18
London Calling:	page 22
Challenges facing Agriculture:	page 25
Mainly for Students:	page 28

President's Message



Dear Member

Welcome to the Spring 2014 edition of the *Property Professional* magazine.

We are already well into the New Year and all the indications are of a much increased level of activity in the market place nationwide. While this is most pronounced in Dublin, the new confidence is beginning to filter out to the regions and all members can expect a busy year as the traditional spring season gets into full swing.

The shortage of properties coming onto the market, most notably in the capital, is now a very serious cause for concern and IPAV along with many other relevant bodies, has been constantly warning that if such a scenario is allowed to go unchecked we will again be into very dangerous territory with vastly inflated prices arising in certain areas.

More worrying is the now chronic shortage of rental accommodation in many places, notably, the inner city of Dublin where unsightly queues are a regular occurrence for the limited accommodation that is becoming available. The Government is setting up an overall advisory group on the property industry and I hope IPAV's vast experience will be used in its deliberations.

IPAV itself has had a very busy beginning to 2014. January 6 was a particularly proud day for the Institute when over 60 members received the first Recognised European Valuer (REV) Certs in a ceremony at the Institute of Technology, Tallaght. The second group of members are now undertaking the course and it is my wish that as many IPAV members as possible will undertake this course and ensure that they are as broadly qualified as possible for the challenges that lie ahead.

On Tuesday, February 4th, IPAV's Rural Affairs Committee, under the chairmanship of Tom Crosse, held a stimulating seminar in Ballykisteen Hotel, Co. Tipperary. Despite the horrendously inclement weather, there was a huge turnout from all corners of the country and I would like to sincerely thank all those who defied the elements to attend.

The next major item on our annual calendar is our AGM and Annual Conference which takes place in the idyllic setting of the Sandhouse Hotel in Rosstown, Co. Donegal on May 9 and 10. Many of you will recall the high profile sale of this hotel by the liquidator at an Alsop's auction in Dublin in February 2012 and its purchase by the manager Paul Diver who continues to run it as a successful and thriving enterprise. The story of the Sandhouse is typical of many businesses that suffered the wrath of the recession but have emerged leaner and better equipped to meet the challenges of the new post-recession economy.

May 10 is the most important date in our calendar and I hope as many as possible will attend for part or all of the weekend. CEO Pat Davitt along with Senior Vice-President Keith Anderson have lined up a very interesting weekend and full details are contained elsewhere in this issue. We will have our usual golf outing to Donegal Golf Club at Murvagh on Friday May 9, sponsored by the Irish Examiner.

The Annual Conference weekend is not just about work of course but is an ideal opportunity to network with fellow members and to renew old contacts and form new ones which can be very beneficial to all concerned.

Within a week of the Annual Conference IPAV will be special guests at the Annual Conference of the National Association of Realtors (NAR) in Washington DC where a Memorandum of Understanding will be signed. This is another major landmark achievement for IPAV and further underpins the Institute's role as a professional representative body for Auctioneers and Estate Agents Nationwide.

As President, it is my aim and that of our CEO Pat Davitt, to be as open to ideas from members as possible. In that regard, please feel free to contact me or our Head Office at any time.

I look forward to meeting you in Rosstown.

Best wishes

Ronald Duff
President

'Buy it to Build it'

ON THURSDAY FEBRUARY 27, IPAV CEO PAT DAVITT WAS AMONG A SMALL NUMBER OF INVITED GUESTS TO MAKE A PRESENTATION ON BEHALF OF IPAV ON LORD MAYOR OISÍN QUINN'S INITIATIVE ON A VACANT LAND LEVY FOR DUBLIN INNER CITY. THE FOLLOWING IS A SUMMARY OF HIS PRESENTATION



Introduction

The Institute of Professional Auctioneers and Valuers is a representative body for auctioneers and estate agents throughout Ireland. IPAV is affiliated to the TEGoVA, the European Group of Valuers Associations which has 100,000 members in 31 European countries. It confers the "Recognised European Valuer" status and uses the internationally recognised European Valuation Standards of the Blue Book.

IPAV congratulates the Lord Mayor on his initiative on vacant sites and his decision to include property professional bodies in his deliberations. IPAV believes that such bodies can be of enormous assistance in this project. These deliberations include the method in which this levy is spent and the fact that it will not be seen as just another tax. The objective is to create a disincentive for landowners who own but are not willing to develop those valuable sites in Dublin's Inner City.

For the past three years, IPAV has argued for the need to establish a Property Council, or similar body, to advise the Government on current issues including price trends, land availability, demographic trends and related matters.

IPAV welcomes the Forfas report publication in 2013 on Ireland's Construction Sector and notes that one of its 36 findings is that a 'Special Construction Sector Consultation and Co -Ordination Group' be set up. The Taoiseach has taken this report very seriously and intends to set up an over-arching group that will report to his own Department. IPAV welcomes this development.

Shortage of housing

It is clear from all recent data and anecdotal evidence that a scarcity of residential property is starting to become a significant issue. House prices and rents in Dublin are growing strongly and there is clearly not enough supply on the market to satisfy existing and potential demand. In the year to December 2012, national average house prices increased by 6.4 per cent. Average house prices nationally have increased every month since April 2013, which does represent a significant change in trend. The main growth is being



Pictured at the launch of the Lord Mayor's initiative on a site levy for vacant sites in Dublin were (l - r): Jim Power, economist; Ronald Duff, IPAV President; Lord Mayor Oisín Quinn and Pat Davitt, IPAV CEO.

Our city our turn

Loose it or Use it"
The big stick approach must go
We must encourage hence
"Buy it to Build it"
It is now time to put on the
Dublin Jersey

Improving the efficiency of the property market is in the greater interest of all citizens and should not be prevented by vested interests.

The audience at the Mansion House



experienced in Dublin, where prices increased by 15.7 per cent (or 30 per cent in some areas of the south city) in the year to the end of 2013.

It is clear from all available data that demand for residential housing and for rental property in the Dublin area is growing strongly and that scarcity is starting to emerge. House prices and rents are rising strongly. John Fitzgerald of the Economic & Social Research Institute (ESRI) has pointed out that Ireland needs to go back to building 25,000 houses per year to satisfy future demand. Specifically he pointed out that in Dublin in the three years 2011-2013 just 2,000 new dwellings were started, but that the city needs that number of new houses every four months.

Available sites and possibilities

We know from the IDA that good quality large commercial buildings are also very scarce, the demand is very high and rents have increased considerably as well over the past year.

Measures to increase the supply of housing and commercial stock in inner city Dublin should become a key policy priority. IPAV feel so strongly about this that we included a note on such a vacant site levy in our budget submission to the Minister for Finance in 2013.

It is estimated that there are 312 sites in Inner City Dublin, accounting for 62.55 hectares, that would be potentially subject to the proposed levy. The city centre zone (Z5) in the development plan will allow 30,000sq.m of development to be built on every hectare which approximately would equate to 250 apartments, or 14,000sq.m of commercial space.

This on the basis of the Docklands SDZ would support circa 260 extra people and circa 500 extra workers. The proposed levy on vacant land/sites would provide an incentive to develop such sites, with play areas for children and grown-ups, parks etc. Imagine our city if this was achieved.

House site prices

In 2006 house site prices reached €200/250K in some parts of Dublin as opposed to €50/100k in some parts of the country. If

the speculators were taken out of the site and development land market because they had to pay a vacant site levy I believe it would alleviate the land price making sites cheaper. Only developers would be buying, hence the end product would be cheaper and there would be a lot more controlled market place for residential and commercial purchasers.

The main interest of House Developers is to build, supply and sell housing. Is it any more expensive to build a house or commercial building in Sligo as opposed to Dublin? Maybe marginally but not by 50 to 100%. The only difference is the land price.

Implementing the levy:

- The levy would be applied to vacant land in Inner City Dublin. Vacant land is defined as 'zoned development land which has not been developed and which does not have rateable buildings on it.
- The tax on such land would not be a form of double taxation as the targeted land is currently not subject to taxation. Hence, there is not a fairness or equity issue involved. If you own an apartment in the same area valued at €250,000 you would pay a yearly property tax of €200 on a commercial building of 100sq.m you would pay a commercial yearly rate of approx €5,000.
- The provision of developer finance at an affordable rate of interest should become part of this levy proposal. It would not make sense to apply the levy if the person that owns the land cannot access finance to develop the site.
- For owners who decide to sell to avoid the levy, financing arrangements should be put in place to purchase the land. Perhaps, there would be a role here for NAMA.
- The planning process needs to be expedited in order to support the quick development of those sites.
- If the owner applies for planning permission and commits to developing the land within a reasonable time frame, the levy should not apply.
- The starting date for the levy should be the beginning of 2016. This would give landowners the opportunity to sell or to apply for planning permission before the introduction of the levy. If by January 1st 2016, the landowner had not put the land up for sale or applied for planning permission, the levy would be backdated to January 1st 2015.
- If a property owner decided to purchase a new site the levy should not become payable for the first year of ownership

Conclusion

Government intervention in the property/development market is required to address the market failure that currently exists in the Inner City Dublin property market.

Government Intervention is not always a bad thing as long as the correct advice has been sought from property professionals as well as others.

Increasing the supply of commercial and residential units would help re-invigorate the area from a tourism, business and social perspective. The benefits would far outweigh the potential negatives.

However, the levy should be part of a broader strategy to increase the supply of residential and commercial properties, and should not be seen as a policy in isolation.



Kevin Dunphy, Kilkenny; Frank Moore, Ennis, Co. Clare; Matt O'Gorman, Newcastlewest, Co. Limerick and Malcolm Cotter, Carrigaline, Co. Cork were at the IPAV Rural Affairs Seminar in Ballykisteen.

IPAV Rural Affairs Seminar

Despite the desperate inclement weather conditions, over 60 members braved the elements to attend IPAV's Rural Affairs Seminar which took place on Tuesday, February 4 in Ballykisteen Hotel, Co Tipperary.

Rural Affairs Committee Chairman Tom Crosse along with Committee members Ronald Duff, Keith Anderson, Eamon O'Flaherty, Pat Carroll and Mervyn Lloyd put together a stimulating programme which led to a great deal of debate.

Jeremy Moody, Secretary of the UK Central Association of Agricultural Valuers (CAAV) gave an address to members on valuation issues in relation to Single Farm Payments and CAP while IFA General Secretary Pat Smith gave an overview of current issues facing agriculture.

Rural Affairs Chairman Tom Crosse dealt with ongoing issues in relation to fees for letting.



Michael Drew, Boherbue, Co Cork and Joe Wheeler Hospital, Co. Limerick at the Seminar



Tom Crosse, Chairman of IPAV's Rural Affairs Committee answers a question from the floor



Jeremy Moody, Secretary of the UK Central Association of Agricultural Valuers (CAAV) addressing the Rural Affairs Seminar .



Sinéad O'Leary, South Main St., Wexford with Caroline Kirrane, Ballyhaunis, Co. Mayo in Ballykisteen



Michael and Mary Lyng, Castledermot, Co. Kildare were at the Rural Affairs Seminar.



John Earley, Roscommon asks a question from the floor



Gerry Coffey, Williamstown, Co. Galway with Colm Farrell, Gort, Co. Galway at IPAV's Rural Affairs Seminar.



Eamon Britten, Donegal and Sean Reilly, Clane, Co. Kildare were at the Seminar



Dan and Marie Fleming, Blarney with John Hodnett, Clonakilty at the Seminar



Pat Gannon, Upper John St., Kilkenny and John Ryan, Birr, Co. Offaly at the Seminar in Ballykisteon



IFA General Secretary Pat Smith is made a presentation after his address by IPAV President Roandl Duff and CEO Pat Davitt

IPAV's National Conference 2014

IPAV's AGM & National Conference takes place this year in the idyllic setting of the Sandhouse Hotel in Rosstown, Co. Donegal. IPAV Senior Vice-President Keith Anderson will be on hand to welcome members to his native Donegal in what promises to be a very enjoyable weekend for all.

The weekend will begin, as usual, with the Golf Competition at Donegal Golf Club at Murvagh, sponsored by the Irish Examiner. This course, designed by the legendary course architect Eddie Hackett is continually featured in the Golf World's Top 100 courses in Ireland and Great Britain.

This year well-know Newstalk presenter and commentator Ivan Yates will facilitate the afternoon session of interesting speakers as well as being the Guest After-Dinner speaker on Saturday night. Ivan needs no introduction having served as a TD for Wexford for many years and as Minister for Agriculture & Food from 1994 to 1997. In 1997 he decided to retire from politics and went into business where after initial success he finally sought bankruptcy in the UK following the collapse of Celtic Bookmakers.

However, Ivan has now re-emerged from his experience with more enthusiasm than ever and will share his thought and views with members at the Conference. His autobiography entitled "Full On" will be published later this year.



Ivan Yates

This year's Conference will be officially opened by the Minister of State with responsibility for small business John Perry TD. A native of Ballymote, Co. Sligo, Minister Perry has been a Dáil Deputy since 1997 and in March 2011 was appointed Minister of State at the Department of Jobs, Enterprise & Innovation with special responsibility for Small Business. Since his appointment Minister Perry has made the creation of jobs in SMEs and the elimination of red tape in business two of his major priorities. In his address, Minister will highlight the importance of the SMEs in the growth of the Irish economy.

Guest speakers at this year's Conference include John Hockey, Advisor to the Board of TEGoVA and Chairman of the Recognised European Valuer Scheme (EVS), Jim O'Keeffe, Head of Mortgage Business at AIB and Claire Killeen, National Association of Realtors President's Liaison to Ireland.

The Sandhouse Hotel, Rosstown



The Sandhouse Hotel, Donegal is a haven of relaxation and tranquility, the perfect combination of old world elegance and modern comfort, nestled away in a quiet corner of Donegal Bay in Ireland's romantic North West along the Wild Atlantic Way. Breathtaking sea views await you in this magnificent Manor House hotel, where you will hear the waves of the Atlantic breaking on Rosstown beach and breathe in the fresh sea air as you stroll along the golden sand.

Guests have been welcomed to the Four Star Sandhouse Hotel for over fifty years and in that time the management have developed and maintained a tradition of excellence in all areas of hospitality and service. In recent years a New Marine Spa & an Award Winning Restaurant overlooking Donegal Bay have been introduced. These developments have married well into the old world feel to ensure guests enjoy a truly luxurious experience.

While there, guests can enjoy surfing, golf, swimming, horse-riding or a rejuvenating treat in the hotel's luxurious spa. This paradise is perfect for the health and well-being of mind, body and soul.

In March 2012, the current manager Paul Diver purchased the hotel after managing it for twenty years. This move guaranteed the long term future of The Sandhouse Hotel, as one of the top hotels in the North-West, as well as securing employment for its fifty local staff some of whom have been here for over fifty years.



IPAV President Roald Duff along with Keith Anderson, Senior Vice-President and Eamon O'Flaherty, Junior Vice-President, signing a historical bilateral agreement with the National Association of Realtors (NAR), which represents 1.2 million estate agents throughout America

IPAV CONVENTION SCHEDULE 2014



Ivan Yates
Chairman and MC



2.00pm
Keith Anderson MIPAV MCEI
Incoming President



2.15pm
John Perry TD
Minister of State for Small Business



2.30pm
John Hockey MSc FRICS IRRV
Adviser to the Board of TEGoVA
& Chairman of EVS Board

THE INTRODUCTION OF THE BLUE BOOK



2.45pm
Jim O'Keeffe
Head of Home Mortgage Business at AIB
BANKS & MORTGAGES



3.00pm
Claire Killeen
National Association of Realtors President's
Liaison to Ireland for 2013 & 2014
INTERNATIONAL RELATIONS



3.15pm
Meryvn Cunningham & Phil McEnroe
Co-Founders & Directors of
Social Media Solutions



3.30pm
3D Issue
Digital Software Magazine

3.45pm
Questions & Answers session



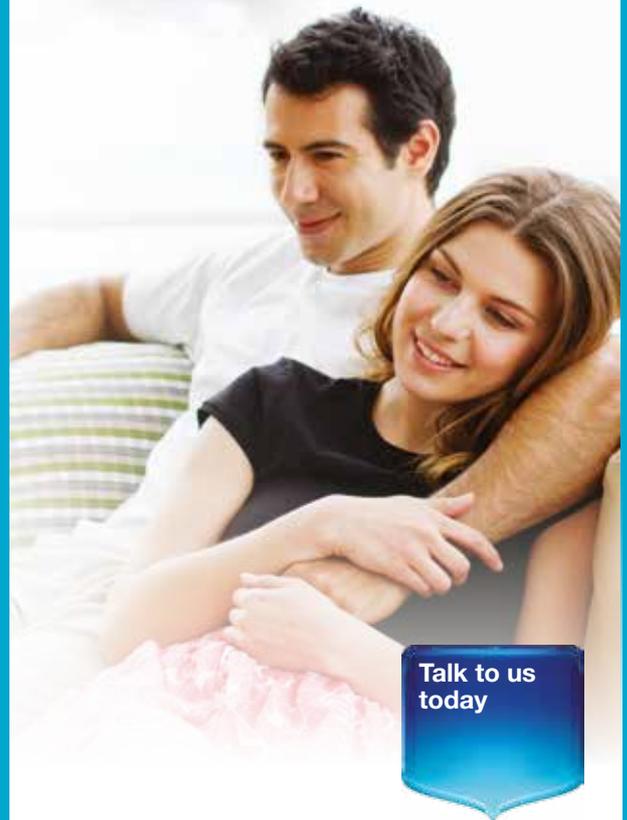
4.00pm
Pat Davitt FIPAV REV MCEI
CEO, IPAV
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FOR IT.**

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Applies to First Time Buyer, Mover, Self-Build and Switcher mortgages drawn down by 30th June 2014. Offer covers standard policies – optional extras available at customer's expense. There are lending criteria and terms and conditions, and security and insurance are required.

Home Insurance is provided by Bank of Ireland Insurance Services Limited. Bank of Ireland Insurance Services Limited is a member of the Bank of Ireland Group. Bank of Ireland Insurance Services Limited is regulated by the Central Bank of Ireland. Bank of Ireland Home Insurance is underwritten by RISA Insurance Ireland Limited. Bank of Ireland Insurance Services Limited is Bank of Ireland Insurance Services Limited for the purposes of selling Home Insurance. Cover is subject to underwriting and terms and conditions apply. A full list of terms, conditions and exclusions are contained in your policy booklet. Life insurance products are provided by Bank of Ireland Life. Terms and conditions apply. Benefits are subject to underwriting and acceptance by Bank of Ireland Life. Bank of Ireland Life is a trading name of New Ireland Assurance Company plc. New Ireland Assurance Company plc trading as Bank of Ireland Life is regulated by the Central Bank of Ireland. A member of Bank of Ireland Group. Bank of Ireland Insurance & Investments Limited is regulated by the Central Bank of Ireland. Bank of Ireland Insurance & Investments Limited is a subsidiary of New Ireland Assurance Company plc and is a member of Bank of Ireland Group. Bank of Ireland Mortgage Bank trading as Bank of Ireland Mortgage is regulated by the Central Bank of Ireland.

What's going on in the private rental sector?

BY DR LORCAN SIRR



Stigmatised for years (and still), the private rental sector throughout Ireland has seen some significant changes since 2006. The most important of these changes is its character: the private rental sector has moved mainstream and is no longer solely the preserve of students, the unemployed, immigrants, separated fathers and other socially marginalised groups. To be sure, the private rented sector still accommodates all these groups, but it has also become the tenancy of choice (and for some, no choice) for several other groups.

Tenants

Increasingly, there are large cohorts who are choosing to rent, not because they couldn't get a mortgage if they applied for one, but because they simply do not want to own a property.

There are plenty of reasons for this: they've witnessed too many people already stuck immobile in negative equity, with large debt hung around their necks like albatrosses; they have savings and are not willing to risk them on the vagaries of owning a property and being in debt for the next thirty years of their lives; their jobs mean they might only be in Ireland for a period of years (an increasingly common phenomenon), so why would they buy?; and they've decided that they would rather rent somewhere where they will have what they perceive to be a better quality of life than if they bought somewhere which might mean having to buy a car and commute or live far from the city centre and all its amenities. This latter group are the 'DOODS' – the Don't Own Or Drive cohort.

Of course it's important not to forget those who have had to leave their homes and have had to rent as they themselves now rent out their own property, as well as those who cannot get a mortgage. So the complexion of the rented sector has changed considerably. Some groups of renters are among the most highly paid in the state, with the lowest levels of unemployment and the highest levels of education.

Numbers renting are now back at levels not seen since the late 1950s, but the type of renters are people landlords only dreamed about in the 1950s. About one in five of us rent in the private rented sector (and another one in ten rent from the state, about which, more later). There is nearly a doubling of previous numbers renting in a very short amount of time, and this is essentially a reflection of changes in Irish society: the property boom and bust, the continued

influx of foreign direct investment and the smart young workforces they bring, and the drying up of credit with which to buy properties if that was a preference.

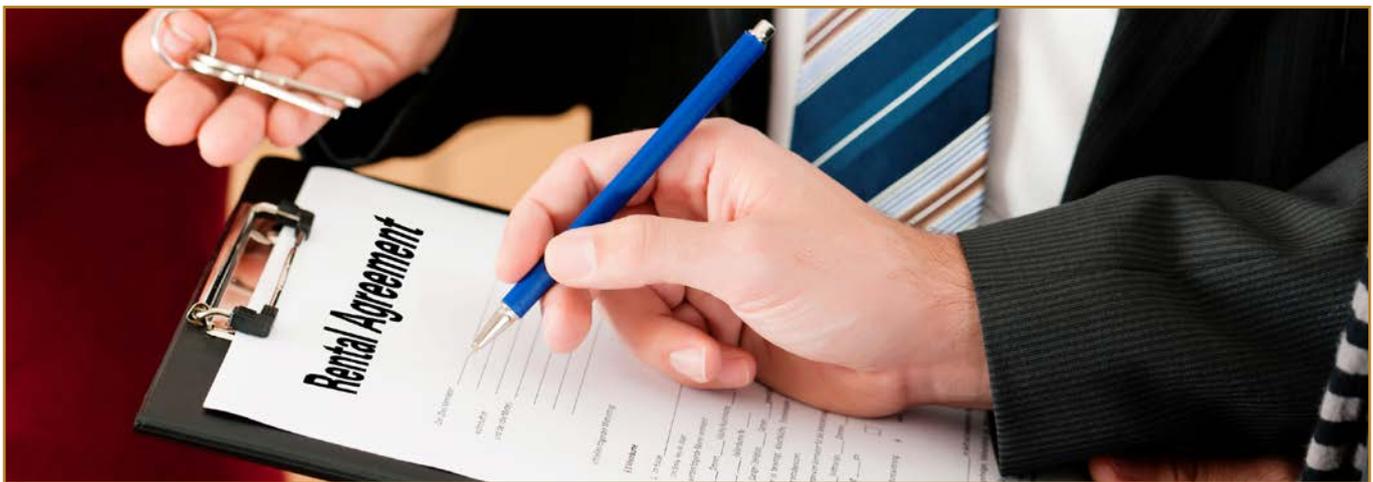
Landlords

Landlords in Ireland are pretty much an amateur lot. About three-quarters of all landlords have only one property, meaning that being a landlord doesn't constitute the 'day job' for most. Internationally this isn't unusual. In France, for example, this number is closer to 95%; in Australia it's something similar. There are relatively few countries in which the small landlord is not king, and here Germany and Switzerland come to mind. The difference between some other countries, mostly mainland European, is the variation in types of landlords, with institutional investors being much more common, as well as co-operative groups and even the church in Germany.

Institutional landlords are rare in Ireland, but much more common abroad. Their aim is to own multiple properties (hundreds, if not thousands), preferably in single blocks to reduce management costs and to generate a steady income from the properties. Tenants get excellent security of tenure and are therefore happy to stay for many years, and naturally this is very acceptable to the landlords too as it means that they get a reliable income stream.

In recent years we've seen the emergence of these types of landlords in Ireland through companies like Kennedy Wilson, for example. The development of this market here is hampered by two factors, however: a lack of decent security of tenure for tenants, meaning that they are unwilling to commit to staying long-term in rented accommodation (thereby making the income stream uncertain for the institutional landlord); and a lack of suitable properties, usually a minimum of 40 all under one roof. These are few and far between.

There is also a lack of willingness by those with the resources to get involved. This is mostly down to a poor perception of the likely management costs, but these tend to be minimal when properties are purpose-built for long-term renting. It would be very helpful for the rental market in Ireland if groups such as pension funds could be encouraged or incentivised to become institutional landlords. In Switzerland, it is obligatory for pension funds to invest 5% of their funds in residential property within the country's borders.



Whereas it would probably be difficult, if not impossible or unconstitutional, to force pension funds to do that here, there are ways and means to peak their interest (exemption from property taxes, for example). Their involvement would have several benefits including keeping funds in Ireland, providing decent purpose-built accommodation and hence supplying the market, and also creating a low but steady source of construction work.

A lot of landlords have bought their rented property as part of their pension, as a safety net for when they retire. Given the volatile nature of the property market some of these landlords will now be worrying. A lot more bought their rented properties in order to sell them on when prices increased. Nearly 30,000 of these are in mortgage trouble

Obviously many landlords are in a financially precarious position, where one more phone call from a tenant needing a new boiler or a leak in the roof fixed is beyond their monetary means. Naturally, this has a knock-on effect on their tenants and their relationship with their landlord. Betting on anything on the property market is a risky game, and really only for those who don't have to bet the house – literally – on the outcome.

Public renting in the private sector

The state has pretty much given up on building housing for those who would traditionally have been accommodated by their local authority. The government's plan is that social housing should now be provided by housing associations (not-for-profit organisations) and the private rented sector. There are two problems with this 'free-market' approach.

Firstly, housing associations with the capacity to build houses in large quantities are almost non-existent. Even the largest of the housing associations (see the likes of Clúid, for example) won't even put a dent in the housing waiting list of almost 90,000 applicants.

Secondly, as there is no accommodation being provided by local authorities the intention is that, aided by rent supplement and other such schemes, people with housing needs should find somewhere to live in the private rented sector. Given the massive increase in numbers now renting by choice or otherwise, there is no longer much room in the private rented sector for social housing applicants. With hugely increased demand, rents have risen (c.11% per year in Dublin) and supply has dried up (Dublin is 1,500 units short a month; the rest of Ireland has about 2,000 units too many), so people

directed to the private sector by local authorities are finding it impossible to find accommodation.

There are nine grounds of discrimination in Irish legislation, and poverty (or wealth) isn't one of them, so landlords are perfectly within their rights to refuse these people in need accommodation simply on the basis of their reduced financial means. For those social housing tenants already in accommodation, when rents rise they become unaffordable and so they have to leave. This often means having to move away from their current accommodation, taking children from schools, splitting families with children going with various parents and grandparents, and so forth. It's not pretty.

Had local authorities stuck to the provisions in the Planning and Development Act where developers had to provide 20% social and affordable units, this wouldn't now be the problem it is. Instead Ireland produced less than 5% of the social housing it had the potential to produce at no cost.

The future

There are lots of other issues which space precludes us discussing. Regulation and knowledge is one: about 75% of all disputes brought by tenants about deposit retention to the PRTB result in a full or partial refund from the landlord to the tenant. This shows that not all landlords are up to speed on the law. On the tenant side, the largest source of dispute is that of rent arrears, and it is evident that many tenants aren't fully aware of their legal obligations in this respect either.

The PRTB's rent index will become an increasingly important measure of the market, and will become ever more accurate as they finally rein in those recalcitrant landlords who refuse to register with them. It's worth keeping an eye on.

Finally, the private rented sector – now not as private as it once was given the numbers of social housing applicants forced to use it – will continue to come under huge pressure. Ireland needs more landlords and more property, but it only needs landlords who have the means to play the landlord game for the full 90 minutes. It would be good to see security of tenure improve for tenants and the resultant development of a mature, long-term rental market, preferably with purpose-built units. We will always need the amateur landlord, but Ireland's renters have changed and the private rented market needs to change too.

Dr Lorcan Sirr is a lecturer in housing at Dublin Institute of Technology.



The Chairman of TEGoVA Roger Messenger presenting Sean Dalton, Main St., Longford with his REV Certificate.



Tom Brett, Earlsweil Court, Cross St., Galway receives his REV Certificate from Minister of State Brian Hayes and Roger Messenger.



James McDonnell, Oliver Plunkett, Mullingar, receives his REV Certificate



Charles McDermott, Barrack St., Carlow receives his REV Certificate

First IPAV members receive REV Certs.

The first 62 IPAV members received their Recognised European Valuer, or REV Certificate, at a function in the Institute of Technology, Tallaght on Monday, January 6th. The Certificates were co-presented by the Chairman of TEGoVA, the European Valuers' representative body, Roger Messenger and the Minister of State at the Department of Finance and Public Expenditure & Reform Brian Hayes TD.

In his comments, Minister of State Hayes stressed the importance of having the highest possible standards of valuation and he was delighted to see IPAV now in a position to provide 'Blue Book' valuations. TEGoVA chairman Roger Messenger said valuers had a major role to play in the economic recovery of Ireland and other countries across Europe and he was delighted to see so many IPAV members taking up that challenge.

IPAV Chief executive Pat Davitt said it was not by accident that IPAV joined as a member association of TEGoVA. "TEGoVA has its head office in Brussels and is there at the cutting edge of policy-making and is able to advise and influence European Directives that affect all our lives as property professionals such as the new Mortgage Services Directive," he said. "Financial Institutions can take comfort that all IPAV 'REV' Valuers must sign up to an ad hoc inspection of their valuation work."



IPAV wishes to acknowledge the help of the IPFMA in securing the support of Skillnets for this course



Fintan McGill, Ballymahon St., Longford receives his REV Certificate



Martin Kelleher, Clonakilty, Co. Cork receives his REV Certificate



Pat Finn, The Square, Ballinsaloe, receives his REV Certificate



Kevin Barry, 77 South Mall, Cork City is presented with his REV Certificate



Alan Bracken, Mullingar, Co. Westmeath receives his REV Certificate.



Frank Moore, Ennis, Co Clare receives his REV Certificate



Paul Reynolds, Lower Main St., Letterkenny, receives his REV Certificate



Michael O'Leary, Slaney St., Enniscorthy, Co. Wexford receives his REV Certificate



Liam Mullins, Bank Place, Mallow, receives his REV Certificate



Frank Regan, New St., Longford receives his REV Certificate



Ella Dunphy, High St., Kilkenny receiving her REV Cert.



Patrick Durkan, Cecil St., Limerick receives his REV Certificate



Michael Burke, Ballinrobe, Co Mayo receiving his REV Cert.



Luke Spencer-Jones, Main St., Oughterard, Co. Galway, receives his REV Certificate



John O'Reilly, Main St., Naas, Co. Kildare receives his REV Certificate



Sinéad O'Leary, South Main St., Wexford receives her REV Certificate



Eamon Harrington, Wentworth Place, Wicklow Town receives his REV Certificate



Eugene Murray, Main St., Dunboyne, Co. Meath receives his REV Certificate



Minister of State Brian Hayes is interviewed by TV3 before the presentation ceremony at ITT.



The audience at the ITT presentation



Jeremy Murphy, 15 South Mall, Cork receives his REV Certificate



Mike Smith, The Crescent, Boyle, Co. Roscommon receives his REV Certificate



Richard Ryan, Kilmallock, Co. Limerick receives his REV Certificate



Dean Spencer, Lower Main St., Letterkenny, Co Donegal receives his REV Certificate



Caroline Korrane, Main St., Ballyhaunis, Co. Mayo receives her REV Certificate



James McDermott, Barrack St., Carlow receives his REV Certificate



Austin Reynolds, Lower Main St., Letterkenny, receives his REV Certificate



Former Kerry Footballer, Darragh O'Sé, Denny St., Tralee, Co. Kerry receives his REV Certificate



Michael Mullery, Prospect Hill, Galway, receives his REV Certificate



Pauric Oates, JFK Parade, Sligo receives his REV Certificate



Tommy Breheny, Oates Breheny Group, JFK Parade, Sligo is presented with his REV Certificate



IPAV President Ronald Duff receives his REV Certificate



Patrick Callanan, Old Church St., Athenry, Co. Galway receives his REV Certificate



John Callaghan, The Square, Castlereagh, Co. Roscommon receives his REV Certificate



Celine Geraghty, Ashbourne, Co. Meath receives her REV Certificate



Tony Brannigan, Main St., Blanchardstown, Dublin 15 is presented with his REV Certificate



Tom Crosse, GVM Auctioneers, Limerick, receives his REV Certificate



Padraig Burke, Goff St., Roscommon receives his REV Certificate



Elma Hughes, Esmonde St., Gorey, Co. Wexford receives her REV Certificate



Patrick Keane, Main St., Ballinasloe, Co. Galway receives his REV Certificate



Damian Keogan, Main St. Virginia, Co. Cavan receives his REV Certificate



Gerard Hanley, Dalton St., Claremorris, Co. Mayo receives his REV Certificate

Cork property market shows signs of recovery



TRADER UPPERS, EAGER FIRST TIME BUYERS AND CASH-RICH INVESTORS ARE AMONG THOSE WHO ARE HELPING THE RECOVERY OF THE PROPERTY MARKET IN CORK, SOUTH MALL IPAV MEMBER JEREMY MURPHY TELLS PROPERTY PROFESSIONAL EDITOR TIM RYAN.

A simple test of how any estate agency is doing in these challenging times is a glance at the weekly diary. One glance at IPAV member Jeremy Murphy's on Cork's South Mall shows that it is chock a-block. Indeed, it is difficult to find a half hour to sit down and talk to him and during our short chat he is constantly interrupted by various comings and goings associated with the running of a busy office.

His record of achievement proves his capacity for success – 87 sales completed in 2013, a difficult year as the country emerged from recession. His website (www.jeremymurphy.ie) boasts that 'Not all auctioneers are the same!' and his motto is a simple one: "110% personal service from start to finish". And there are numerous testimonials as to his ability including one from former All Black and Munster Rugby Star Christian Cullen which reads: "....."

Having moved back to New Zealand, the whole selling process seemed extremely daunting to us, but with your expertise it became effortless. We were kept up to date with the progress on all aspects of the sale, and with the use of your up-to-date market knowledge and research, our property was placed and targeted at the right market, resulting in a sale at the price we wanted....."

Jeremy Murphy is passionate about the estate agency profession and his enthusiasm is palpable when dealing with customers in his offices at 15 South Mall, Cork's best known street for estate agency services. It is a profession that Jeremy is in because he loves property and dealing with people.

80 mile round trip

A native of Rosscarberry in West Cork, he still lives there and commutes daily the 80 mile round journey to Cork city. It's a decision he and his wife Lisa have made as to where they want to live and to rear their three children Katie (5 ½), Sean (4 ½) and Amy (4 weeks). Jeremy always had an interest in auctioneering as his father Tadhg Murphy was a well-known auctioneer with Cork Marts in Skibbereen. Today Tadhg is still active and gives a helping hand to the business when needed.

Jeremy studied Mechanical Engineering at Cork Institute of Technology before undertaking the three year Certificate in Auctioneering and estate Agency at Cork College of Commerce. However, when he graduated in 1998 an opportunity arose to work with legendary Kerry footballer Mikey Sheehy in his Irish Permanent office in Tralee.

"I found the time I spent there very useful and it gave me an insight into finance which is still useful to this day," says Jeremy. From Tralee Jeremy moved to estate agency in Cork City.



Saddlefield House, Maryborough Hill, Douglas, Cork which had an asking price of €379,000 and sold for €460,000. Jeremy Murphy received a huge response for the property with 77 viewings.

Having worked with a number of companies in Cork City, in 2007 he and his wife Lisa decided to open up their own business and acquired the offices at 15 South Mall where they immediately gave it a strong branding with red as the central colour.

“We had about eight great months before the recession,” Jeremy recalls. “In hindsight it might have been the best thing that ever happened to us because it helped us to focus in on our business and to use our skills to best advantage.”

As many agencies downsized against the demands of the recession, Jeremy Murphy & Associates actually grew during the recession and today, six years later, employs five people in total. But the size of the office, he says does not show the scale of their work.

“We are now among the top five agencies in Cork city with a growing reputation for commitment and success,” he says. “We are punching way above our weight.”

Focused advertising campaign

Jeremy attributes a major part of the success of the firm to a keenly focused advertising campaign. “We re-invest heavily in the company and regularly run advertising campaigns in both print and broadcast media,” he says. “These are combined with a very good presence on the major websites such as Daft and MyHome and of course our own website”.

Having an attractive and impactful website he considers critically important, not so much in attracting buyers but in attracting sellers. “While buyers mainly do their research on myhome.ie and daft.ie when people are planning to sell, one of the first things they will do when considering which agent to choose is to review the website. That can make the decisive factor for them in many cases.”

The office specialises in all aspects of sales and lettings as well as valuations. Jeremy was one of the first IPAV members to sign up for the new TEGoVA course and was presented with his Certificate on January 6.

“With the advent of regulation into our industry, I think ongoing education is the key to our success,” he says. “I was delighted to undertake the TEGoVA course and apart from the course content itself, it was great to exchange views with agents from other parts of the country. Regularly now I am in contact with some of those I met on the course and it is very useful to me.”

Also he says having the ‘REV’ letters on his business card and literature is a help in instilling confidence in clients.

Jeremy believes that Continuous Professional Development or CPD must now form a core part of IPAV’s role and he is hugely supportive of any efforts in this area.

He is also very positive about current trends in the Cork market. Activity he says has soared in recent months and an increasing number of sales are being agreed.

“There is money out there and the banks in and around Cork city are prepared to loan to young people who have good, skilled jobs in many of the well-known pharmaceutical and IT facilities in the area such as EMC, Boston Scientific and Apple to name but three. These young professionals are very well paid and they have saved up the necessary 20 per cent deposit or so that is required by the banks. Consequently they have no problems normally in accessing loans.”

He has also noticed increasing interest from farmers both in Cork and surrounding counties who are now opting to purchase houses or apartments for their children who are attending college.



Jeremy Murphy in his office

Chinese interest

Another significant sector he has noticed showing interest in property in Cork are the Chinese. Many of these he says do not have the cash themselves or enough savings for a deposit but their parents back home are willing to invest in Cork property which they clearly see as a good bet for the future.

Recent results bear out the rise in prices, he says. A typical three-bed semi in the south city that might have dropped to €175,000 during the recession is now fetching over €200,000, he says. Interest is always keen if the property is in good condition and in a good location. In the peak of the Celtic Tiger era these houses would have fetched between €370,000 and €400,000 but Jeremy Murphy does not wish to see such prices again.

“We never again wish to see the madness that entered the property market,” he says. “What I would like to see is a slow, steady increase to realistic prices and then a stable market into the future. That is in everybody’s best interest.”

The rental market has always thrived in Cork and still continues to do so. A well-appointed two-bedroom apartment will command a rent of between €750 and €850 per month while a well-appointed three-bed semi will command a rent of €900 - €1,100 p.m.

As in Dublin and other major cities, the lack of supply is a major problem hindering the growth and development of the property market and Jeremy Murphy wishes to see solutions being provided to ease this bottle-neck. But positive by nature, Jeremy and his team are already fully immersed in the challenges that 2014 has to offer.



Jeremy Murphy in his offices on Cork's South Mall

Hogan highlights NPPR penalty grace period



The Minister for the Environment, Community and Local Government, Phil Hogan, T.D., has encouraged any non-compliant property owners to take advantage of the period from now until 31st August 2014 to regularise their payment of any outstanding Non-Principal Private Residence (NPPR) liabilities. The NPPR charge, which has since been discontinued, applied in the years 2009 to 2013 to any residential property in which the owner did not reside as their normal place of residence.

Mr Hogan acknowledged that compliance with the charge has been high with approximately 360,000 properties registered and over €400m raised, all of which has been used to fund local authorities in delivering vital services. The €200 annual charge has fallen, in the main, on owners of rental, holiday and vacant properties including those properties where the owners lived abroad. "While I am pleased with the collection rates to date, I am anxious to ensure local authorities continue to engage with non-compliant owners to ensure that all outstanding liabilities are cleared as soon as possible," he added.

Mr. Hogan advised that anyone who has not registered with their local authority and remains liable to the charge has already accrued significant late payment fees on their property for the relevant years. Apart from the initial charge of €200 per liable property each year, additional late payment fees have been accruing at the rate of €20 per month in the intervening period. The Minister wished to draw attention to the new measures contained in the Local Government Reform Act 2014, dealing with the collection of undischarged liabilities relating to

the NPPR charge. The Act provides for a period, commencing on 2nd March 2014 to 31st August 2014, during which time no new late penalties will be applied to existing liabilities. If payment is not made in full, or, if settlement terms are not agreed by the end of that period, an additional late payment fee of €120 per liability date is applied on 1st September 2014. In addition, the entire NPPR liability is increased by a factor of 50% and frozen. For example, the aggregate liability and late payment fees in respect of a property which has been liable for the NPPR charge for 5 years from 2009 to 2013, would increase from €4,220 up to €7,230 on 1 September 2014 on the expiry of the grace period.

Mr Hogan reiterated that it is very much in the interest of non-compliant owners to come forward to regularise their affairs and to take advantage of this once-off opportunity. The NPPR charge is based on self-declaration and therefore the onus is on the property owner themselves to register their property and make the payment. "It is important to note that payment of outstanding charges and late payment fees must be made prior to the sale or transfer of a property", he added. "Local authorities will be taking a proactive approach to ensure that any outstanding liabilities are discharged in the most equitable, efficient and economically beneficial manner"

Minister Hogan advised non-compliant owners to log on to www.nppr.ie, or alternatively to contact their local authority and make their outstanding payments before 1 September 2014 to avoid incurring additional fees.



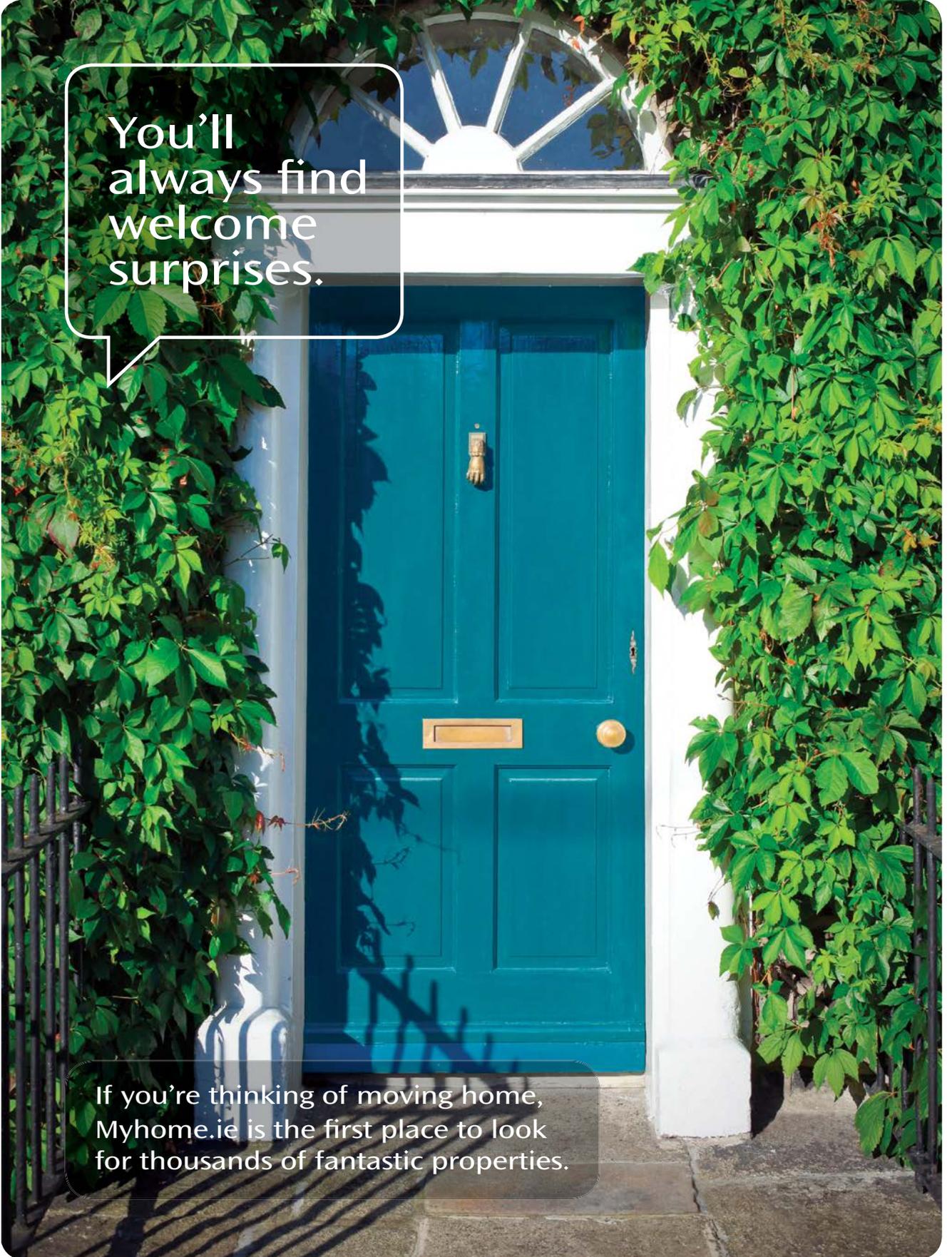
Minister to examine cap on housing rents

The price of rented accommodation should be capped in line with the cost of living as part of a system to regulate the rental market, according to Housing Minister Jan O'Sullivan.

In a recent interview with the *Irish Examiner*, the Labour Minister said there was a need for an organised private rental sector similar to ones which operate in France, Germany and other European states.

The Minister of State said that there was still a problem in Ireland with the buy-to-let sector where people just bought a property and rented it out without much consideration.

Minister O'Sullivan said: "There is a general problem on the cost of private renting. We should look at examples in other countries where rents are related to increases in consumer price indexes, where rents can't be increased more than the cost of living increases. "One of the problems in Ireland is that we've never had an organised private rented sector. We've a very small one compared to countries like Germany, the Netherlands, France and Canada, where a large percentage of the population live in rented accommodation all their lives."



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London calling ... with one last chance to invest in the heart of the East End



CROSSRAIL, A £16-BILLION RAILWAY LINE UNDERNEATH THE HEART OF LONDON, IS DUE TO OPEN IN 2018, WITH NINE ULTRA-MODERN NEW STATIONS THAT WILL TRANSFORM THE REAL ESTATE MARKET FOR MILES AROUND. PETER CLUSKEY HAS BEEN LOOKING AT ITS IMPACT ...

So, less than half-way through 2014 and, in the UK at least if not yet on this side of the Irish Sea, it's as if there was never a downturn. None other than *The Guardian* ran this headline the other day: "House price boom brings new wave of sellers into the market". And wherever you look, whether it's Dubai, South Africa or Mauritius, there's "unbeatable value" ... again.

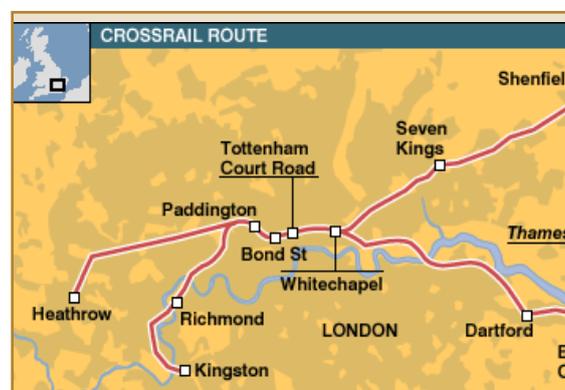
Of course, it's happening here in Ireland as well. Overseas investors, mainly cash-rich private equity funds in search of the value that's been missing from the international market for the past six or seven years, are snapping up distressed shopping centres and office space in prime locations. It's the ultimate proof of the old adage: there's always a buyer at the right price.

One investment location that's a perennial favourite with the Irish is London. It's such a varied market that it has something for everyone, quite literally, whether you're a young professional looking for a two-up two-down with rental potential in Wood Green or a Russian oligarch in search of a penthouse overlooking Westminster. And with such enormous pressure on its limited housing stock, it's always going to be buoyant.

Which is where Crossrail comes in. For those of you unfamiliar with strategic transport planning for the heart of the English capital over the next few years, Crossrail is currently Europe's largest railway construction project, with a price tag of at least £16 billion, the most challenging section of which will be a tunnel beneath the heart of London. Due to open in 2018, it will carry around 200 million passengers every year – providing a 10 percent increase in local network capacity.

Nine new stations

Those are the transport implications, but there are real estate implications too. Nine new stations are being built along that central section, at Paddington, Bond Street, Tottenham Court Road, Farringdon, Liverpool Street, Whitechapel, Canary Wharf, Custom House and



Woolwich. And as everyone knows from the days of the boom, improved transport links are right up there with good-quality schools as a magnet for well-heeled property buyers.

Perhaps the most interesting neighbourhood is Whitechapel, just north of Tower Bridge, with the City of London hugging its boundaries to the immediate east. Over the centuries it's had multiple identities. In the Nineteenth Century it was a predominantly Jewish quarter. Today around 40 percent of its population is of Bangladeshi origin, and Brick Lane – made even more famous by the 2003 novel of the same name by Monica Ali – is renowned for its excellent curry houses.

Now it may be on the cusp of another transformation. "The moment the new Whitechapel Crossrail station opens its doors it will become one of the most important transport hubs in the city", says estate agent, Simon Browning. "Residents will be able to reach Heathrow directly in just 41 minutes, and the commute to Canary Wharf will take less than five minutes. Think how attractive that will be."

That almost-palpable excitement is supported by research into the economic impact of the Crossrail project in general, which shows that by 2018, homes within a 10-minute walk of Whitechapel station could be worth up to 26 percent more than they are today – a growth trajectory which, if it comes to pass, will outperform even super-prime Central London property by six percent.

With such impressive growth on the horizon, hot on the heels of the worst downturn in a generation, it's not surprising that three new developments are currently underway within that same 10-minute walk of Whitechapel station.

In terms of sheer height, the landmark development will probably be Altitude, a 27-story tower due to be completed around now, comprising one- and two-bedroom apartments ranging in price from an uncommonly reasonable £658,000 to £908,000. Predictably, its marketing is all about the location: "It's just a short walk to the City yet close to the East End's trendy Shoreditch and Brick Lane. Set within an eight-minute walk of three London



The crossrail tunnel under Central London

underground stations, residents can enjoy breathtaking London views from the communal roof terrace in the top floor ..."

The second development is Cityscape, 128 units ranging in price from £315,000 for a studio to £800,000 for a three-bedroom apartment. But it's the third, Goodman's Fields, a seven-acre mixed-use development of 920

units, that has prices closer to the norm for Central London. Studios start at £499,950, rising to £1.2 million for a two-bed with a spacious balcony, to £4.5 million for a penthouse.

If you're feeling adventurous, however, and you're a believer that a rising tide lifts all boats, there's no need to buy into expensive new developments. Cavell Street, for example, is on the less-attractive Tower Hamlets side of Whitechapel, and here you'll get a two-bedroom apartment in need of modernisation for around £350,000, full of potential from every point of view.



Whitechapel Market with the iconic Gherkin in the background

Whitechapel

Slightly more upmarket, £600,000 is the asking price for a spacious two-bedroom warehouse-style apartment near Whitechapel station itself – a good test of whether there's still wiggle room built into estate agents' prices these days, now that the bust is but a memory.

"For a more affluent buyer, Whitechapel is currently very much about location over lifestyle, but I expect that to change very rapidly", says Simon Browning. "The proposed

mix of residential, retail and public space will really bring the location to life over the next few years, especially with the economy improving."

The hope is that Crossrail will feed into a Tower Hamlets Council rejuvenation plan due to be delivered by 2025. This will include new squares, public spaces and an expanded street market, which in turn will merge with a £650 million expansion of the Royal London Hospital campus on Whitechapel High Street. Exciting enough? It sounds just like the old days.

Global Property Watch Watching the green shoots take hold ...

MAYFAIR: If you've just been reading about the impact of Crossrail on the Central London suburb of Whitechapel on the opposite page, well, here's a look at how things stand in ritzy Mayfair. Britain's smallest million-pound home has just been put on the market and is less than the size of a railway carriage. It's 461 square feet, has one bedroom, a small living room, and a tiny kitchen and bathroom. The same money would buy you a penthouse in rising Whitechapel.

BRAZIL: Property prices in Brazil may have become overblown in the run-up to the World Cup, which kicks off in June, but a new report from the ratings agency, Fitch, has good news for investors. It says that although the Brazilian market has been cooling since the start of 2012, prices are not expected to fall this year, mainly because supply has not kept pace with demand.

THE HAMPTONS: They said it could never happen in the Hamptons, 100 miles from Manhattan at the tip of Long Island, summer playground of New York's super-rich. But it has: condominiums ... and townhouses! It was bad enough that moneyed celebrities such as Calvin Klein and Martha Stewart have joined America's oldest families in their favourite resort, buying the sea-front mansions next door. But what about this: at Westhampton Beach, "The Dunes" is a development of 39 three-bedroom townhouses on the market from just \$560,000 ... and probably yours for a good deal less. The upper end of the market has slowed, it appears. The recession really has hit everywhere!

GSTAAD: Fancy a bit of skiing? Well, how about the uber-elite Swiss resort of Gstaad, where €3 million will buy you just a bog-standard two-bed apartment on the fringes of the ritzier neighbourhoods, €8 million will bag you an older chalet in need of some refurbishment, and €16 million or thereabouts will finally get you into decent company. What's the secret? "We are very discreet in Gstaad", says veteran local agent, Marcel Bach. "The key to our success is that we don't talk about prices or people." Well, it's nice to dream.

COTSWOLDS: The flamboyant former presenter of TV's Changing Rooms, Laurence Llewelyn-Bowen, has put his six-bedroom, 16th century, Grade II listed Cotswolds manor on the market for a relatively modest £1.75 million. It's in the village of Siddington, near Cirencester ... and the dining room, he tells us, is "a devilish shade of red".

MINTS: Forget about the BRICs (Brazil, Russia, India and China), they've been replaced by their creator, Jim O'Neill of Goldman Sachs, with the MINTs, the new emerging markets to watch ... Mexico, Indonesia, Nigeria and Thailand. Have you the nerve?

Call for national debate on commercial rates

BY TIM RYAN

There is need for a serious discussion on commercial rates, Fianna Fáil's Industry spokesman Dara Calleary told the Dáil recently. Speaking during Question Time, he said Minister Brendan Howlin would be aware that serious difficulties that arose in Waterford are being replicated across the country as the rates revaluation process is rolled out nationwide.

"Businesses do not have the ability to meet the demands being placed on them," he said. "I accept that there has not been a revaluation in some time, but in 2013 the rates for one business in Waterford were €2,963. In 2014 this figure will increase to €7,647, a difference of 158%. For another business the amount payable was €4,373, which will increase to €10,080, an increase of 131%. One gets nothing for this anymore because one must pay extra for water, the refuse service and in car parking charges. One cannot ask a business to sustain this increase."

Deputy Calleary said the business community does not understand the process or how the Valuations Office has reached these new NAV amounts. Transparency needs to be improved.

"Appeals take more than 12 months to complete and they involve delays and hassle," he said. "We have tried to curtail costs in many areas of business, but this is a cost over which businesses have no control and for which they get nothing in return. They face increases of 158% and 131%. A survey of 60 businesses in Waterford showed the average increase was 62%."

In reply the Minister for Public Expenditure & Reform Brendan Howlin said the Government published the Valuation (Amendment) (No. 2) Bill 2012 as part of its legislative programme. The Bill proceeded through Second Stage in Seanad Éireann in October 2012.

"Let me state the Bill will not change the basis of valuation for rating purposes," he said. "This will continue to be net annual value, NAV, the hypothetical rental value of a property as assessed by reference to a specified date. This is a long-standing principle of the rateable valuation scheme in Ireland and ensures equity and fairness in the values of commercial and industrial properties across local authorities."

The main purpose of the Bill, the Minister said, is to accelerate the national programme of revaluing every commercial and industrial property in the country which is being undertaken by the Valuation Office.

"The Bill amends several provisions in the Valuation Act 2001. These amendments include a number of technical changes to Part 5 of the 2001 Act which deals with how valuations, including revaluation of entire rating authority areas, are carried out. The Bill also proposes to amend Part 6 which deals with the carrying out of revisions of the rateable valuation of individual properties within rating authority areas.

"I am mindful of the concerns and have met people from Waterford regarding this matter. The difficulty is that there has not been a revaluation in such a long period of time. We need a quick and expeditious revaluation, regular valuation after this and a robust appeals process to ensure that where anomalies arise, they are addressed."



IPAV Junior Vice-President Eamon O'Flaherty presents Matt Lewis of the Irish Cancer Society with a cheque for €7,000, the proceeds of the first President's Charity Lunch which was held last December.

Minister of State for Agriculture outlines challenges ahead

IN A SPECIAL ARTICLE FOR THE PROPERTY PROFESSIONAL, NEWLY-APPOINTED MINISTER OF STATE FOR AGRICULTURE, TOM HAYES TD, GIVES AN OVERVIEW OF THE CHALLENGES FACING IRISH AGRICULTURE



Since my appointment to the Department of Agriculture, Food and the Marine in June of 2013, I have been working hard at introducing change to certain sectors of Agriculture that I feel will benefit from an increase in funding, a review of structures and a move towards a new way of farming.

Our main objectives in Agriculture are to achieve good outcomes from EU and International negotiations, developing the meat, dairy, food, aquaculture and sea fisheries sectors, while also supporting young farmers, the environment, animal welfare and assisting integrated marine policy.

The last few years have been a double-edged sword for Irish Agriculture. As amid the hardship of the economic crisis, we saw the emergence of the Irish food sector. Irish Food producers are experiencing enormous success, not just here at home but globally. The Irish brand has proven to be a huge attraction and continues to grow in popularity.

We will continue to encourage and support this growth which will have a knock on effect for all sectors of the industry.

Opening of US market

Indeed great gains have been made during 2013. The first steps have been taken in the opening of the US to EU beef, there has been the opening of the prestigious Japanese market which is worth some 12 to 15 million euro, the UAE has opened for sheep meat, Libya has opened to livestock, Australia for pig meat, Canada for sheep meat and we have gained access to the Russian market for products which were previously excluded.

During 2014, we will continue to build on these achievements, expansion and innovation in the meat and dairy food sectors.

In preparation for the dairy quota free environment, the Department provides a range of supports to assist farmers to fully exploit their potential for expansion and development. Dairy supports encompass the new

entrants to Dairying Schemes and the Dairy Efficiency and Development Programmes which are designed to encourage the adoption of best practice management and production methods on farms.

On the processing side, the dairy sector has already planned for increased processing capacity post 2015 and key global players are committed to significant new capital investments.

To plan for a 60% increase in milk intake, Glanbia has committed itself to €150m capital investment in a new major dairy processing centre. Dairygold is currently investing in upgrading their Mitchelstown plant and are proposing a €90m investment in a new dryer in Mallow and Kerry Co-op are developing their Charleville plant to enhance their infant formula project with BeingMate, their Chinese partner.

In addition the Irish Dairy Board announced a €20m investment in a Saudi dairy company and Kerry Foods have opened a new development centre in UAE to cater for specific consumer tastes in the Middle East, North Africa and Turkish markets. Both of these projects will lead to the importation of Irish milk powders to these Middle Eastern regions.

The Food Industry's contribution to the Irish economy is very significant as more than three quarters of its expenditure is on Irish goods and services compared to the equivalent figure of 42% for manufacturing industries.

The latest CSO data shows that over 52,000 people are engaged in this sector which has a good geographical spread and provides an important employment and Development stimulus in rural and coastal areas where employment alternatives can be limited.

It is encouraging to look at the level of commercial investments planned or being made by the Food and Drinks Industry in recent times.

New Forestry Bill

In the Forestry Sector, I was very proud to lead the charge towards the new Forestry Bill 2013.



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It is the first time in almost 70 years that the bill has been reviewed and is in dire need of modernisation given the shift towards forestry farming in recent years. The purpose of the new Forestry Bill is to reform and update the legislative framework relating to forestry, which is currently governed by legislation dating back to 1946. I have had widespread consultation with all the major stakeholders in the industry on the contents of the Bill.

Our aim is to streamline and improve service delivery to the industry to allow maximum output. We are continuing to work closely with the various farming and forestry groups to ensure that this bill benefits both growers and the environment.

Forestry is a realistic land use option for landowners and, while we continue to promote new forest planting in order to sustain and increase the supply source, we must also assist existing forest owners to manage their forest enterprise. I believe that the availability of information will enable us to unlock the potential of our forests. The Government has allocated €105m in 2014 towards the continued development of forestry.

We cannot underestimate the contribution of the Irish forestry and forest products sector, which is generating approximately €2.2 billion in annual output and developing strong export markets. The important role of forestry in the economy has been recognised by the Government in allocating some €105 million in capital funding for the 2014 afforestation programme in the Budget. This funding will be predominantly allocated to meeting the annual commitment to forestry premiums but will also allow the funding of some 7,000 hectares of new planting during 2014.

We must continue to support young farmers.

At the behest of Ireland, the new CAP reform agreement contained provision for mandatory top-ups of direct payments to young farmers as well as targeted options in pillar 2 to address the needs of young farmers. These direct payment measures are being complemented by further support proposals under the Rural Development Programme, where support for on-farm capital investment will be ring fenced for young farmers at a higher rate of aid of 60%.

My Department and Teagasc are working to increase the level of farm partnerships to improve scale and age structure on Irish farms. Budgetary changes were introduced in the last two budgets to encourage farm partnerships. These provided enhanced benefits such as 100% stock relief for young trained farmers entering partnerships, reduction in the rate of stamp duty and relief on Capital Gains Tax where farms are restructured and retirement tax relief from Capital Gains Tax. In addition Teagasc and the Department successfully ran a nationwide series of public information meetings over the last year or so to encourage collaborative farming ventures. It is good to note that the number of registered farm partnerships has steadily increased with 173 new collaborative farming initiatives started in 2013.

Further major new initiatives are also planned under the Rural Development Programme. Around €4 billion in National and EU funding will be made available for rural development over the next 7 years. A draft programme has already been developed.

To conclude, we can see that very substantive progress has been made and this work will continue in to the future. The benefits and outcomes of this work are demonstrated in the increasing value of primary output, the very strong export performance and most particularly in the optimism for the future displayed by farmers, industry and across the sector as a whole.

New Regulations to provide better consumer protection

New Building Control Regulations came into force on Saturday 1 March 2014. The Building Control Amendment Regulations 2013 set out to prevent the future reoccurrence of poorly constructed dwellings, pyrite damage and structures breaching fire regulations left as a legacy of a poorly regulated housing boom.

Assigned Certifiers, who can be registered architects, engineers or building surveyors, will inspect building works at key stages during construction. The Assigned Certifier and the builders will both certify that a finished building complies with the requirements of the building regulations.

The new regime will reduce the incidences of defective works on site and the resultant associated costs of carrying out remedial works will reduce accordingly.

Owners/developers will now be required to assign a competent person (i.e. Assigned Certifier) to inspect and certify the works. Industry sources suggest that this requirement will typically add between €1,000 and €3,000 per housing unit, to the overall building costs, although in reality this cost will be decided by market forces.

Self-Build Projects

Minister Hogan said there had been wild exaggerations of the increased costs that the new Regulations will impose on the self-build home sector.

“There is no change in the technical performance standards which a newly finished home must meet,” he said. “The statutory obligations that currently exist in a self-build scenario are not new – they already apply under the Building Control Act 1990. Any person who intends to build their own home (e.g. by direct labour) can still do so. As before, the building must be built in accordance with the Building Regulations. The only change is that they will incur the additional design and certification costs outlined above. There should be no additional building costs.”

Nothing in the new regulations prevents direct labour – owners are required to satisfy themselves that persons they engage to carry out works are competent, he said.

From a self-build perspective:

- The owner will, as before, assume responsibility as builder for ensuring that the building will comply with the building regulations. They must also satisfy themselves that any one they employ to undertake works is competent to do those works.
- At commencement, they will notify the local authority that they themselves are the builder and sign the builder's undertaking required for building control purposes.



Pictured at a function to mark the election of Eddie Downey as new IFA President were (l – r): Ronald Duff, IPAV President; Eddie Downey and Pat Davitt, IPAV CEO

- At commencement a Self-Builder must also assign registered professionals (i.e. architect, building surveyor or chartered engineer) to:
 - certify the design, and
 - inspect the works (i.e. Assigned Certifier).
- The design certifier and the assigned certifier can be one and the same person. This Assigned Certifier will be the point of contact with the building control authority for lodgement of compliance documentation and certificates, etc.
- At completion the Self-Builder and the Assigned Certifier will both certify the building in line with their responsibilities.

Registration as an Assigned Certifier

Only professionals on one of the three statutory registers, namely of architects, building surveyors or chartered engineers, may certify designs and/or act as Assigned Certifiers under the new Building Control Regulations. Persons who have been engaged in the design of buildings and who have not registered to date but may be eligible to do so, should contact the registration bodies for advice in relation to the routes to registration that may be open to them.

In view of issues and concerns raised in relation to access to the statutory register of architects, Minister Hogan tasked Mr Garrett Fennell, Solicitor, to carry out a review of the routes to entry to the statutory register. The Minister has accepted in principle the recommendations made by Mr Fennell and he expects the RIAI, as registration body, and the various bodies who represent practically trained architects to work constructively with the Department to do all that is reasonable and appropriate to ensure that all persons who are competent and entitled to register as architects are facilitated in doing so.

Mainly for Students

BY PETER BRADY, CHAIR, IPAV EDUCATION ADVISORY COMMITTEE



IPAV and ITT Dublin have incorporated an element of experiential learning into the Higher Certificate Programme affording those with previous IPAV qualifications an opportunity to top them up to Higher Certificate level. Some aspects of the processes involved in the module are considered here.

It is the time of year when all students will face the prospect of tackling the Professional Practice Module. If you are attending the taught programme or if you are topping up existing qualifications, the challenge and the potential problems are the same.

The Professional Practice Module is a practical work based one that requires the students to relate theory to practice in the working environment. Students recount their experiences in the workplace and reflect on them. It is a learning method that has grown enormously in popularity over the years and in some professions it 'has become one of the defining features of competence'.

In spite of assurances to the contrary, the process can be daunting whether one is already working in the estate agency profession or not. How many of us take time to reflect on what we are doing and have the skill to critically evaluate our performance?

Coupled with that how many of us are comfortable with computers and have the necessary IT skills and the competency to use such technology in the challenging circumstances of critical reflection?

While many people can use the computer to complete basic tasks – write documents, use web mail etc., the prospect of using a computer in the context of education and training presents a different challenge. There is the fear that one will not be able to use the platform; the skills required to upload documents, copy and scan them can often be underestimated. Access to the technology is another potential problem. Assumption on the part of providers and skilled users is always a hazard. The truth is that because the computer and the smart phone are so ubiquitous, it can often be assumed that everyone is familiar and proficient in their use and can work around them. Not so I say.

Coupled with that the Professional Practice Module requires students to reflect on what they do in practice. Again it may be assumed that this is a natural and relatively easy thing to do. It is not.

Different things to different people

There are issues around reflection that cause concern because it can mean different things to different

people. At worst it can be seen as a self-indulgent piece of introspection but it can also be understood to involve a thinking approach to practice; for some reflecting on practice is a very formal and structured process that allows them to become better professionals.

Some argue that reflection on practice is the very essence of professional activity. Many professionals are familiar with it through the requirement to attend Continuing Professional Development Programmes on a regular basis.

When students take on the Professional Practice module then, they are gaining valuable skills in critical thinking/reflection.

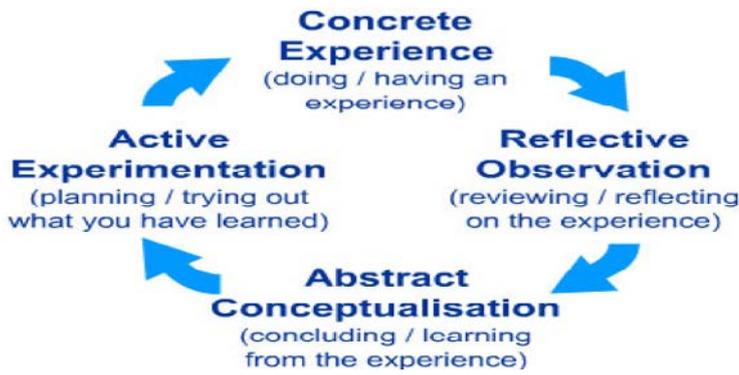
Reflection not only involves thinking about what we are doing while we are doing something but it also involves thinking about what we did after we have done it. The question then arises is experience a good or a bad thing? If you are experienced can you learn anything new? Can you stay 'forever fresh'?

We all have good and bad experiences. Experience itself is neither good nor bad but it does provide a platform to learn. How often have we heard it said - 'you should learn from your experience'? In this context then we should never overlook the opportunity to learn from our experiences. And the opportunities are there every day to learn. The trick is to give ourselves time to think critically about what we do and not to be afraid or become self-conscious or embarrassed about the process and the outcome. Critical thinking does not imply a negative approach to personal performance. One of the things we have to learn early on in the process is to acknowledge what we do right and identify areas where we can do better.

What do we mean when we say that students should reflect on their practice and learn from it? Reflection is a skill and it is well worth cultivating. When broken down it involves the ability to be able to look back over an experience considering any factors that contributed to its success or failure. In the Professional Practice module, students are asked to link theory (what they earned in lectures) to practice (what they did) and consider how one influenced the other.

By reflecting in this manner the objective is to improve performance by using the result of reflection to determine future practice. We are attempting to deepen our learning and understanding.

The process of reflection is well illustrated in this diagram:



“Learning is the process whereby knowledge is created through the transformation of experience” (David A. Kolb, 1984).

A student new to this learning process may feel self-conscious at the outset and find it difficult to engage fully with it. Perhaps s/he may even find the process no more than a navel gazing exercise, as mentioned earlier. But I have no doubt that once a student commits to the process, it becomes easier to go through each of the stages described in Kolb’s diagram and the end result is a deeper understanding of what we are about.

The important lesson we learn as a result of this engagement is that being experienced does not imply that we know it all and become complacent; on the contrary being experienced means we are constantly in a process of review and improvement – staying forever fresh.



The editor of the Property Professional Tim Ryan (centre) was recently conferred with an MComm (Gov. & Public Policy) in UCC. He is pictured here at the conferring with Dr Mary Murphy, course co-ordinator and David Davin-Power, RTE Political Correspondent.



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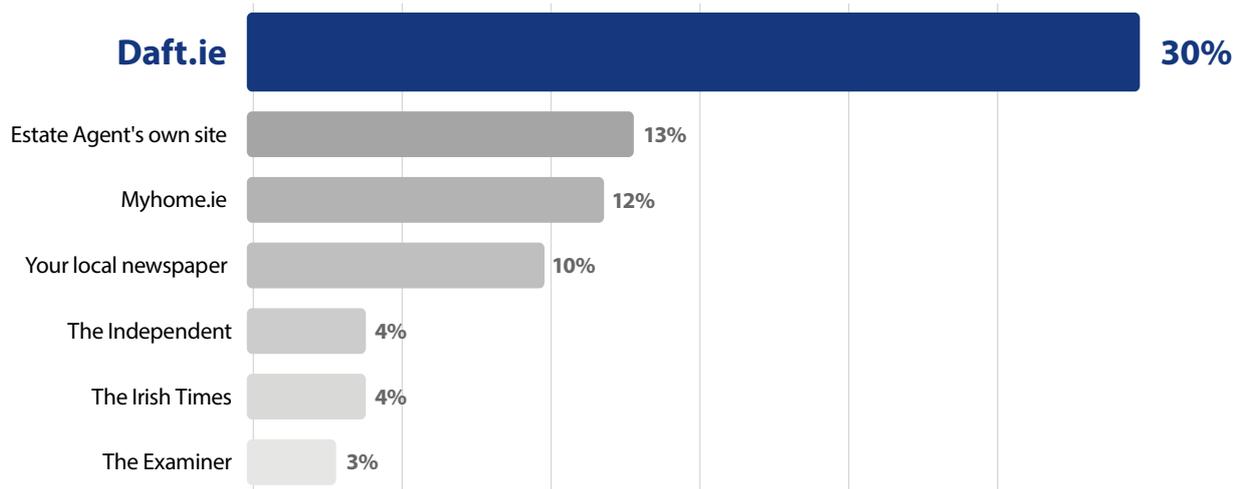
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