



Comments on the report of the Mortgage Funding Expert Group

Who are we and why are we responding?

EuroGeographics is a pan-European Association that represents 49 European national mapping and cadastral agencies across 42 countries. A number of our members are also responsible for their national land registry and are partners in the EULIS project. EuroGeographics represents its members in Europe (their 'voice' in Brussels) and supports the exchange of best practice and development of pan-European products and services related to mapping, cadastre and land registration. In so doing, EuroGeographics and its members are committed to improving access to and sharing of real estate information, managed at the Member State level, to support European good governance and sustainable growth, including a more efficient and effective European land market. We welcome therefore, the opportunity to comment on the report written by the Mortgage Funding Expert Group (Brussels, 22 December 2006).

Comments on the main recommendations in the report

Land Registration (Chapter 3.3)

We support the view that accessibility of land registers is important and should be obtained in all Member States. As a demonstration of this the first steps in realising this are already set successfully by the implementation of EULIS. We like to express the importance of an active promotion of EULIS which is one of the first major visible steps in working cross border concerning land registers in relation with cadastres. It makes cross border access easier for all involved parties. For more information we refer to the website www.eulis.org.

We do recognise that accessibility to registers depends on a number of factors: legal, cultural and technical. As an organisation sharing best practices between our members we can help in solving the technical issues by defining the relevant topics and discussing solutions to them. Concerning the existing legal barriers these are strongly related to culture and traditional values, sometimes defined by the constitution, and therefore requiring longer timescales to resolve.

Development of central and dematerialised registers is in our opinion useful in order to increase smooth access to the registers in an electronic and digital way. We keep track of the rapid movements of technology and exchange gathered information between our members¹. We recently organised a workshop in which cadastres and land registries presented their experience in current and future registration related to requested synchronisation of operations. More information on this workshop can be found at our website².

¹ We refer to our vision-document 'Cadastre and Land Registration in 2012' that will soon be published on our website: www.eurogeographics.org.

² See our website, http://www.eurogeographics.org/eng/05_groups_Cadastre_meetings_EspooNov06.asp

As is stated in the report the scope and size of hidden mortgages and preferences are unknown. We can support the Commission in obtaining more visibility in this matter. By placing this item on the agenda we are able to discuss this item with our members and disseminate essential information to the Commission.

Property indices (Chapter 6.5)

We are pleased to notice that property indices are seen as very useful for mortgage funding and that the absence of it is mentioned in the report as a barrier. However, land registers in some Member States³ have already obtained experience in defining and maintaining such an index available as a service on their internet website. Further examination could be useful to have the main ingredients in store for a stable, transparent and consistent index. We recommend to investigate this possibility.

Property valuation (Chapter 3.2)

While valuation of property can be related to property indices we agree with the expert group that consistency and accuracy are important items. We are aware that in our field of cadastre and land registry the importance of valuation is growing. We follow new developments and influences in this field with interest (in 2006 a workshop on automated valuation models was held by our organisation together with the Permanent Committee on Cadastre) and are willing to share our views.

Terminology

The term “land” registers covers in our opinion the content more sufficiently than the term “mortgage” registers. In using mortgage registers the suggestion can arise that there are different mortgage registers, apart from land registers. In most situations the term land registers is used for both registration of conveyance and mortgage.

We understood the term ‘central’⁴ register as a portal for accessing information which is maintained de-centrally i.e. distributed across the Member States. ‘Dematerialised’ is understood by us as ‘digital’.

How we would like to help?

As an organisation representing our members we see opportunities in helping the Commission on several topics mentioned in the report by the Mortgage Funding Expert Group. Summarized we can help in:

- promoting accessibility to land registers and the advantages of EULIS by exchanging best practices
- exchanging and sharing know-how on technical information in order to increase accessibility
- increasing reliability of land registers by obtaining relevant information on hidden charges and inform stakeholders involved
- using our expertise and resources in increasing and speeding up the conversion of dematerialised registers to digital registers
- sharing experience for best practices in the process on property-indices
- exchange ideas and best practices on valuation with relevant stakeholders

³ See for example the webpage of the Dutch Kadaster where the ‘Housing-Value-Index Kadaster’ is mentioned. The index shows a transparent and reliable picture of the development of the value of existing houses. The index is nationally available and is published monthly. (www.kadaster.nl). Also the Swedisch Lantmateriet has a real estate barometer where the development on prices for small houses is depicted (www.lantmateriet.se).

⁴ Both ‘central’ and ‘dematerialised’ are stated on page 19 of the report.

Point of Contact

Further information about EuroGeographics can be found on our website: www.eurogeographics.org

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