PRELIMINARY RESULTS FROM THE LAND ADMINISTRATION COST STUDY

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OVERVIEW

- WPLA study on the cost of registration and transfer of real estate and registration of mortgages in the UNECE countries
- Financed by the Norwegian Government through the Norwegian Mapping Authority
- Commissioned by Elena Busch (Statens Kartverk) on behalf of the Bureau of WPLA
- Lead researcher: Paul van Asperen (University of Twente/ITC)
- Supported by Rik Wouters (Kadaster) and Bureau of WPLA
PREVIOUS STUDIES

- HM Land Registry (2000)
- HM Land Registry (2005)
- WPLA (2009)
- ECE (2014)
CURRENT STUDY

- Previous benchmarks: main focus on institutional processes and costs
- Current study: focus on the costs, fees and taxes to be paid by citizens

Aim:
- Provide an overview of costs related to land registration
- Compare costs amongst member states
- Identify trends within the region
METHODOLOGY

- Questionnaire to all land administration agencies in the member states (52 agencies)
- Response rate: 60% (31 agencies)
QUESTIONNAIRE

Costs related to three use cases:
- Transfer of a residential dwelling
- Establishment of a mortgage for a dwelling
- Subdivision of an unbuilt parcel

Based on average value:
- Average value (n=16): € 144.000
- Others default: € 200.000
AVERAGE VALUE

Average value of a residential dwelling

- € 350,000
- € 300,000
- € 250,000
- € 200,000
- € 150,000
- € 100,000
- € 50,000
- € -

Countries: Serbia, Bosnia and Herzegovina (Rep), Latvia, Estonia, Croatia, Republic of Moldova, Republic of North Macedonia, Northern Ireland, Scotland, Finland, Kyrgyzstan, Germany, Ireland, United Kingdom, The Netherlands.

Preliminary results: not for publication, not for re-use!
TRANSFER OF A DWELLING

Cost for services concerning the transfer of a residential dwelling with average market value:

- Legal and technical services like contract and deed drafting, signing contracts and deeds
- Registration services like registering the contracts/deeds, registration of titles and deeds
- Taxation like taxes related to the transaction, like transfer tax, stamp duties, etc.

Questions relate to:

- Professional parties involved
- Costs involved
- How costs are calculated (fee base)
Professional parties involved in registration services

- Registrar (governmental)
- Notary public
- Solicitor
- National government
- Cadastral surveyor... (not fully visible)
- Municipality/local government
- Estate agent/realtor
- Cadastral surveyor (commercial)
- Licensed conveyancer
- Property valuator
- Regional court
- Architect
- Local government
- Regional government

Legend:
- Blue: Voluntary
- Red: Obligatory
- Green: Unknown

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Total costs registration services

Republic of North Macedonia
Latvia
Austria
Luxembourg
Germany
Finland
Serbia
Portugal
Albania
Lithuania
Sweden
Estonia
The Netherlands
Bosnia and Herzegovina (Rep.)
Norway
Czech Republic
Republic of Moldova
Georgia
Kyrgyzstan
Belarus
Bosnia and Herzegovina (Fed.)
Cyprus

Seller
Buyer

Preliminary results: not for publication, not for re-use!
Total transfer tax

- Italy
- Finland
- Luxembourg
- Germany
- Czech Republic
- Austria
- Portugal
- The Netherlands
- Norway
- Cyprus
- Croatia
- Sweden
- Ireland
- Bosnia and Herzegovina (Fed)
- United Kingdom
- Serbia
- Republic of Moldova
- Latvia
- Scotland
- Albania
- Belarus
- Kyrgyzstan
- Lithuania

Seller vs. Buyer
Total transfer costs as % of value

- Finland
- Germany
- Serbia
- Portugal
- Latvia
- Norway
- Macedonia (Rep.)
- Cyprus
- Austria
- Sweden
- Lithuania
- The Netherlands
- Czech Republic
- Albania
- Estonia
- Moldova (Rep.)
- Georgia
- Belarus

Seller | Buyer
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PRELIMINARY CONCLUSIONS

- A huge variety of:
  - Professional parties involved
  - Methods of calculation of fees
  - Actual fees to be paid

- Analysis:
  - Questionnaire results
  - Comparison with previous benchmarks
  - Comparison with other materials

- Final report: May 1\textsuperscript{st} 2019
THANK YOU FOR YOUR ATTENTION
THANKS TO ALL RESPONDENTS!
SUGGESTIONS?
QUESTIONS?
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