

Property registry – challenges for the future

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SUMMARY

A secure property registry and mortgage keeping system is of the utmost importance for property markets that needs reliable information in order to evaluate risks and minimize fraud.

In this field the role of a cadaster and the property and mortgage registry are often confused. I would try to explain the symbiotic role of both in a reliable system.

I will try to give an answer on the basic question why we need property registry as well as a cadaster.

Through a review of the existing property registry systems I will try to explain the results of the registry process and the different degrees of responsibility of the state, from the “Torrens” System, known in Australia, with state offering full security, to less state involved systems as the “Deed system” existing in France and Belgium. For that part I will rely on a study I made for a speech held last year in Krakau for the members of Elra (see annex).

In order to give more security to international property markets. I will also focus on the need of inter- operability of the registers and getting information out of them while cross border conveyancing. Initiatives in this field (the Imola project of ELRA, LRI project of the EC) will be highlighted.

Afterwards I would try to give some ideas about possible ways of organizing property registry in the future. We see the need of security, especially in international trade, and on the other hand states, traditionally offering security, struggle with costly systems and try to find new solutions. This opens sources for public- private partnerships and even for privatization.

Furthermore there is the fact that not only the “Rights in Rem” are basic for the valuation of immovable property, but also the numerous legislations that in a way organize public easements that either reduce or increase the value substantially.

Also there is the way how we markets want to be informed and guaranteed in order to be able to make solid decisions and assess risks at an affordable cost, that is changing rapidly.