The evolving role of cadastres and land registries beyond the registration of ownership

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The Economic Impact of Cadastre for the Society
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Economic impact of Cadastre

Average real housing price Amsterdam 1630-2013 (Euro’s of 2009)

1832: nationwide coverage cadastre
1838: registering deeds compulsory
2007: cadastre key register
Role and position of Cadastre and LR

foundation legality and taxation
underpinning the land market
transparency
Key figures land market

Value of land transactions:
- agricultural properties 1.200M€ (2018 Q1-Q2)
  average price (ha): arable land 66.000€; pasture 54.800€
- commercial properties 10.500M€ (2018)
  booming market: distribution centres
- residential properties 11.700M€ (2018 Q4)

Number of transactions (2018)
- transactions: 489.100
- mortgages: 421.600
- parcel divisions: 99.500

Total value of taxable properties: 2.195.033M€ (2017)

Amount of mortgages residential properties: 702.000M€ (2018 Q2); 91.9% GDP
Key figures land market Q1 2019: residential properties

# state guarantees mortgages

# transactions existing homes

# transactions new built homes

source: Statistics Netherlands
Real estate transaction chain in the Netherlands

CITIZENS (buyer, seller)

- Intermediaries
- Real Estate Agencies
- Valuators
- Banks
- Notaries
- Inland Revenue

Kadaster
- land registry
- cadastral surveying
- cadastral registration

System highly reliable and trusted
Cost benefit analysis

Cost
cadastre and land registry 190M€ (2018);
includes cadastral surveys
Business model: cost recovery

Cost of service providers; up to 1-2% of value property

Revenue taxation (2017)
Transfer tax 2.726M€; 2% selling price residential properties
Property tax 3.838M€
Total income value related taxation: 10.500M€
Cost of valuation (2017) 153M€
Quantifying Economic Impact

What if there would be no Cadastre/LR?

Public case:
- promote security of tenure
- improve access to land
- improve gender equality
- promote economic and sustainable development
- reduce poverty
- support environmental management
- support national development in the broadest sense

Business case:
Reducing Failure costs
- Difficult to quantify
- Cadastre/LR underpins 1B€ worth of transactions weekly
- Key register cadastre is considered vital economic service in the economy
Development of shopping districts

Vacancy shops in town of Terneuzen in 2014 and 2017

Decrease of value properties
Improving climate-resilience

Climate change comes with heavy rains (downpours)

On-going paving of gardens results in water runoff that is larger than drainage capacity and leads to local floodings

Combining data results in targeted action to stimulate owners to act
Case: dashboard neighbourhood-oriented sustainability

- Housing stock
- Energy efficiency
- Type of ownership/use
- Use of properties
- Population and income
- Political preference

The Economic Impact of Cadastre for the Society
Concluding remarks

- Land market heavily relies on cadastre/LR data (economic and legal perspective)
- Difficult to quantify the direct economic impact
- Cadastre and LR are considered vital institutions for securing legal security and economic prosperity (policy perspective)
- Cadastre data combined with other information provide additional insight in the land market and are at the basis of supporting societal issues