FIG Task Force on Property and Housing

UN ECE REM, Geneva, 26 June 2012

RECOVERY, SUSTAINABILITY, AND EVOLUTION: PERSPECTIVES ON THE REAL ESTATE ECONOMY
background

In many countries **Surveyors** are expected to identify **land tools** and **good governance practices** that will facilitate:

- privatization of land and property registration,
- secure access to land and property rights,
- secure mortgage rights and real estate markets,
- formalization of informal development, and upgrading of inner city decay,
- sustainable housing, sustainable housing rights,
- zoning, planning and building code revisions,
- redevelopment and urban regeneration,
- environmental sustainability, energy efficiency and green housing,
- integration of minorities, dealing with immigration and free population movement

within an unpredictable economic and social environment
background
characterized by certain fundamental factors affecting housing sector:
• recession, unemployment, the difficulty of finding jobs,
• significant decrease in access to financing, tougher lending standards: no more liar loans, bigger down payments, closer look at incomes, etc.
• tougher appraisal standards,
• growing affordability problems even for those who do have a job due to wage and benefit cuts,
• rising taxes,
• overleveraged consumers,
• a change in consumer attitudes regarding housing as an investment,
• a new frugality in consumer attitudes towards debt in general,
• corruption and confusion in land and housing regulatory framework,
Objectives

The FIG Task Force will investigate challenges and major threats resulting from the current global financial crisis, and identify **new role for the surveyor**.

It will develop awareness, vision and key strategies as well as to investigate tools and techniques around:

- institutional development, legislation,
- improvement of coordination of various stakeholders; adoption of effective policies,
- land tool development for affordable privatization, cadastre, planning, construction, housing; technical tools to support the above,
- Examples of good practice
Affordable Housing refers to housing for very low-income, low income, moderate-income households. (30% standard: own or rent a housing for an amount up to 30% of its household income), size of family? It means different things to different people and it has different implications in different places.
Affordable housing: encompasses a wide spectrum of housing **types, prices** and **occupants**

- Rental housing
- For-sale housing
- Government-subsidized housing
- Public housing

Public Policies usually speak of affordability as:

- Low-income rental housing: Subsidies for production or for occupants (object grant/subject grant) or both to make it affordable to low- (50-80%) and very-low-income (50% of median income) households

- Affordable ownership housing: market-rate unsubsidized housing for moderate-income (80-95%) households, first-time buyers, and subsidized ownership housing for low- and moderate-income buyers
Funding mechanisms

Financial aid can be granted as:

• extra payment (without refunding) or
• it can be granted as credits, e. g. loans with low interest or loans with public securities.

Supply of dwellings:

• New apartments
• the modernization of housing stock
• offering state-owned land for affordable housing to reduced prices; the investors are obliged to reflect the reduced land price in reduced rents for target group households
Public and private sector roles

- Affordable housing requires a strong cooperation with the public stakeholders responsible for land use planning and the private or public stakeholders acting in the land market.

State interventions?

- to guarantee affordable conditions (quality and price) for an adequate part of the demanding groups.

- To assure that an adequate part of the supply is kept open for the target group households and is not occupied by better off households.

CECODHAS-survey: 10.1% of European households, and 37% of the population at risk of poverty spend more than 40% of disposable income on housing.
Future Action Plan

- Joint FIG Task Force/ Com3/UNECE WPLA Conference on the topic:

**Informal Development, Property and Housing**

10 – 14 December 2012

- Supported by UN ECE CHLM & FIG Com10, Com9
- The Workshop will be hosted by the Technical Chamber of Greece, Syntagma Square, Athens, Greece.
Topics of interest

- Tools for formalization/legalization
- Progress in legalization (dead capital, legislation, prerequisites, certificates / plans, accuracies, costs, statistics on declarations, state revenue, property registration, property market, barriers, planning controls, construction controls, seismic vulnerability controls, overall cost, time, penalties, infrastructure provision, property taxes, environmental concerns/monitoring, planning and construction permitting reforms, demolitions, resettlement, minorities, energy efficiency concerns, funding mechanisms, the role of the private sector, case studies, etc)
Topics of interest

- Affordable housing policies / legislation (current trends, major changes, examples)
- Affordable planning (principles, costs, funding mechanisms, responsibilities, the role of the private sector, state interventions, legislation, regulations, norms and standards, beneficiaries, target groups, examples of good practice, on state-owned land/private land, motives, etc)
- Affordable housing (construction types, tenure types, quality, valuation, prices, rental/for-sale, improvements of housing stock, public housing, funding mechanisms, target groups etc)
- How the above can be implemented in areas with informal development/ informal markets? Ethnic minorities, immigrants, refugees, etc.
Topics of interest

• Technical aspects that surveyors should consider in order to address the above
  • FIG com3, com9, com 10
  • SDIs, data integration, automated monitoring, mobile phone applications, cadastre, planning, valuation, construction economics
  • VGI, crowd sourcing, social media, etc
  (low-cost methods, to capture reliable spatial information in short time)
Thank You