

# Harmonization of land registry in Europe

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# Overview

1. Europe
2. EULIS
3. Eurohypotheec
4. EuroTitle

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# Europe: Harmonization of land law?

Article III-425 European Constitution:

"The Constitution shall in no way prejudice the rules in Member States governing the system of property ownership."

( = article 295 EU Treaty)

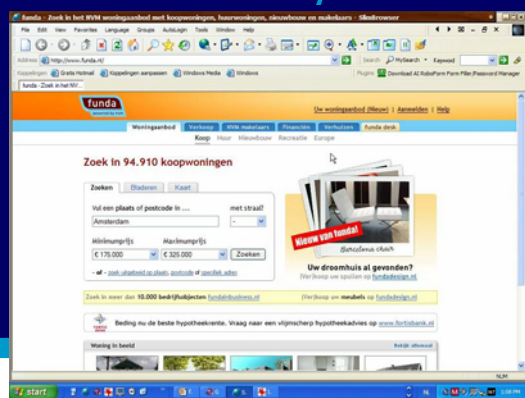
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# Land goes cross-border

- Free movement of capital, goods, services and persons
- Cross-border land market within the EU
- sale
- mortgage

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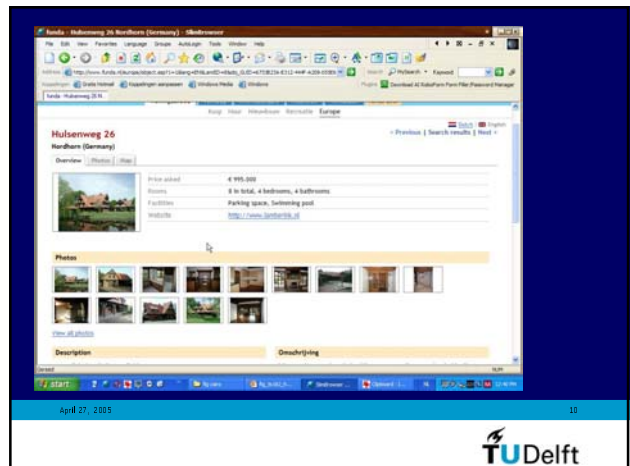
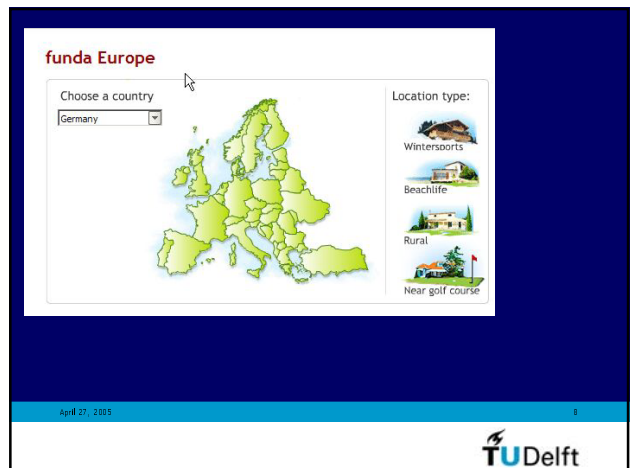
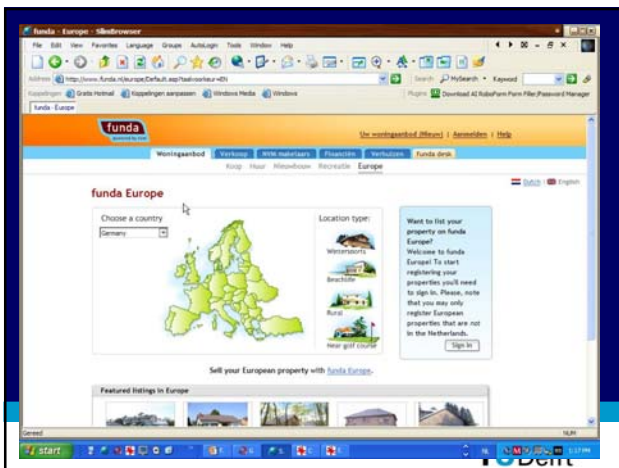
# Select a house from your armchair



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## The need for (better access to) information

- Owner? Rights?
- Need for transparency
- For buyers and bankers

## Report of the European Mortgage Federation

"On-line access to national Land and Mortgage Registers should be made possible on a cross-border basis in all Member States. To this end, computerisation of national registers must be finalised and one centralised access address should be made available."

Claude Sadoun, President of the EMF (2003)

## EULIS

- European Union Land Information System



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## EULIS

- One portal
- Access to the land register of 8 jurisdictions
  - Austria
  - England and Wales
  - Finland
  - Lithuania
  - Scotland
  - Sweden
  - The Netherlands
  - Norway

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## Content of EULIS

- Access to the national land register
- Meta-information
  - overview of the content of the rights
  - translation of legal expressions
  - "EULIS-terms and definitions" => common terminology

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## One European mortgage market?

- 25 types of different mortgages within Europe
- Consumers cannot compare the products
- Bankers lack knowledge about land law and land registration in other countries
- Lack of true competition between bankers
- Very low number of cross-border financing (1%)

Conclusion: mortgage is still a national product

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## Eurohypotheec: one mortgage for Europe

- One instrument for securing loans
- Same conditions everywhere in the EU
- No replacement of the national mortgage
- Extra instrument
- Flexible:
  - independent from the loan
  - borrower can change the banker
  - banker can transfer the security right
- Possibility to secure several properties within the EU

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## Eurohypotheec Problems to solve

- It doesn't solve the diversity of national systems
- Banker needs certainty about the legal status of the properties
  - land law: "rank" of the security right in the national system
  - land registration

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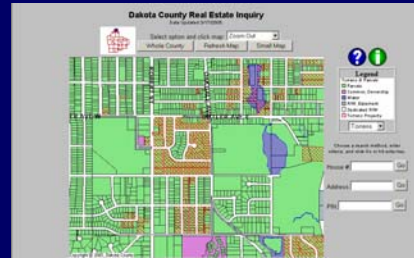
## EuroTitle

- One common way of land registration
- An alternative to the national land registration
- Title registration on European standards
- Guaranteed by the national organisation that registers the title
- Security for Eurohypotheec
- Electronic conveyancing

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## Two systems of registration in one jurisdiction?



Example:  
Dakota County  
Minnesota (USA)

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## Conclusions

- Lack of transparency hampers the development of an European land and mortgage market
- Easy cross-border access to information is one step
- Introduction of a Eurohypotheec is another step
- Harmonization of land registries and land law is a long (impossible?) way
- The EuroTitle, a common way of registration, in addition to the existing national registrations, provides the needed certainty and uniformity

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