

Real Estate Deals to Be Centrally Registered

By [The Moscow Times](#)

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The Federal Service for State Registration, Cadastre and Cartography will make information about the real estate transactions it handles public and publish the average price for real estate in every region.

The agency, known as Rosregister, spent 52 million rubles (\$1.72 million) to create the new service, which will be launched before the end of the month, the register's deputy director, Sergei Sapelnikov, told Vedomosti.

Publishing information on real estate prices is a necessary step in the formation of a government evaluation database, as envisaged by the law on evaluation and as ordered by the Economic Development Ministry.

By the end of the year there will be a portal with information about millions of real estate deals, which is standard world practice, according to Sapelnikov.

"In the Netherlands, you can find out who owns a house on the cadastral map, how much the deal cost for the real estate and the date [it took place]. Every inquiry costs 2.50 euros," he said.

The new Rosregister system will be searchable by the date and type (sale, privatization, rental) of the deal, type and purpose of the building, its area and other parameters.

"The system's features allow you to determine how much a square meter costs in a building or a cadastral quadrant at a certain time," Sapelnikov said.

Deals made at intentionally nonmarket prices are recorded in the system, but Sapelnikov said representative price information would be obtained from the majority of deals.

Grigory Kulikov, chairman of the board of the Miel real estate agency, suggested that Rosregister statistics will differ greatly from reality, but that the data will be of interest to realtors to compare with their own statistics.

Rosregister data could be used in court cases, to prove a defendant's creditworthiness, for example, a representative of a local development company said.

Tax inspectors will be able to use the data from the database to verify the payment of income tax on sales of property. Previously, that information had not been available from a central system. The tax service only began receiving information from Rosregister on Oct. 1, a tax service representative said.

The tax service will also verify that the cost of a deal corresponds with average market rates. The service has three years from the time a deal is sealed to file a suit for underdeclaration of income and underpayment of taxes.

The Rosregister system is the first of its kind in Russia, said the vice president of the Russian Society of Appraisers, Yevgeny Neiman, adding that it will create a noticeable improvement in the quality of valuations in the country and make the market more transparent.

Access to the system will be free of charge at first, said Alexei Ivakin, department head at the Economic Development Ministry, but paid services, such as advanced searching, will be added gradually.

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