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## Estate agents and money laundering – CB Richard Ellis's approach to the new regulations

CB Richard Ellis is one of the UK's main commercial estate agencies, occupying a similar space to the likes of Knight Frank, Cushman & Wakefield and Jones Lang LaSalle.

It is part of the CB Richard Ellis Group (NYSE:CBG), the world's largest commercial real estate services firm (in terms of 2006 revenue). Headquartered in Los Angeles and with over 24,000 employees, the company serves real estate owners, investors and occupiers through more than 300 offices worldwide. CB Richard Ellis offers a number of services, including: strategic advice and execution for property sales and leasing; facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting.

On December 15 2007, the new Money Laundering Regulations 2007 come into force. All commercial and residential estate agents (as defined by the Estate Agency Act 1979) are subject to these regulations. This means they are required by law (alongside all other regulated businesses – financial institutions, law firms etc) to verify the identity of their clients, both individuals and businesses.

Mark Winton joined CB Richard Ellis as Compliance Director and Money Laundering Reporting Officer in 2004. "When I started, there was no online verification of clients. It was all done with hard copy documentation such as a company's Articles of Association and an individual's driving license, and it all had to come via the client or client's solicitors," he says.

Having used D&B at a previous company, Mark instigated a company wide switch to D&B for AML verification of UK registered customers. He now uses D&B's AML report, in combination with D&B's smaller Select Report.

"I knew D&B would provide the online verification we required to meet our legal obligations, without us having to bother our clients to the same degree," he continues. "The AML report is cost effective from a time point of view and less hassle for our clients. So far I have rolled out D&B's system to 30-40 people throughout CB Richard Ellis in the UK and we are still in transition. I'd looked at other systems like Equifax, World-Check but D&B was a better option in terms of both ease of access and costs."

Ninety percent of CB Richard Ellis's clients are corporate and it is for these clients that Mark has introduced D&B's reports. He has drawn on the JMLSG guidance notes, even though there is no specific guidance for the estate agents sector, and on his thirteen years' experience in compliance role to develop a robust company-wide money laundering policy.

"The AML report gives us all the information we need for our UK clients, including checks against politically exposed persons databases, the Bank of England's sanctions database and the FSA register. It provides details of company directors and beneficial owners of a company and offers a link to carry out individual searches for clients registered in the UK via a service named CallML."

Mark says it is easy to quantify the tangible business benefits of using D&B's reports. "If you measure the approximate time per case that you save by not having to contact the client or client's solicitors, but instead spending ten minutes in front of your PC, it's worth tens of thousands of pounds to us every year."