

How a ground-breaking industry pledge can help support home movers to achieve a successful purchase and sale in 2020 and 2021

When moving home, property professionals know you can only move as fast as the slowest person in the chain of transactions. We also know the faster you can purchase or sell a home, the more likely your sale or purchase will go through.

If there was ever a time to do everything you can to make sure your move goes through it's now. Pre-covid moving home on average took around 20 weeks – that's five months – and, perhaps even more worryingly, even after an offer has been agreed, 34% of purchases and sales failed. Covid-19 brings extra risks and delays for home movers – and industry professionals. Getting legally prepared and putting everything you can in place as fast as possible can help reduce the risk of Covid-19 affecting your move.

The Home Buying and Selling Group has been working hard to agree a more streamlined home moving process across the industry so that each step of the process can be carried out as quickly and smoothly as possible. Many have signed a pledge to make the process more transparent for all but for this to work, we also need home movers to support this initiative.

The potential upside to the whole home moving process is huge. Just a few changes to the way home movers buy and sell their home could reduce both the stress on you and the current pressure on industry resources. In addition, it means the chances of you being able to take advantage of the Government's Stamp Duty Land Tax holiday by the deadline of 31st March 2021 increase.

So, what can you do?

- **What do you need to do to reduce the time it takes you to move today?**
For sellers, there are just two easy steps to reduce the time it takes for sellers to move, first instruct your property lawyer on the same day you market your property and secondly fill in the property information forms as soon as you can.
- For buyers, if you are buying with a mortgage, check your affordability and mortgage suitability with a broker/lender before you make an offer. Where appropriate, and if advised by your broker, obtain a mortgage Agreement in Principle. If you are paying with cash, **make sure you have evidence of your funding** available so you – and your seller – know you have the money **available** to purchase the property. Buyers are also encouraged to ask their surveyor to advise on appropriate level of a home survey report on the condition of the property as early as possible and to share the findings with their property lawyer.
- Instruct your property lawyer before making an offer. If you require a mortgage you should ensure that they are on the mortgage lender's panel. Provide the property lawyer with your ID information to enable them to carry out anti-money laundering checks.

How does this help?

Moving home requires a lot of investigative work by the property industry. Whether you are selling or buying, estate agents, legal companies, lenders, brokers and surveyors all have to check things like your identity; where the money is coming from to fund the purchase; property condition and whether changes made to the property were properly authorised. All of this takes time to investigate and report on to lenders and others.

The sooner your property lawyer can carry out **their** work, the quicker they can prepare your sale contract. This means while your agent is showing people around your home, when an offer is secured and your buyer instructs their property lawyer, your own property lawyer can send over the contract and other necessary papers within days, rather than starting the process from scratch. As they will also have checked the title upfront this will help to resolve some of the issues that can cause delays to your sale, if, for example, a key document is missing.

Will this work?

There is already a lot of evidence to suggest that instructing a property lawyer on the day of marketing can reduce the time it takes to move. This methodology has already been tried and tested in Northern Ireland and has had a positive effect on the time and ease people moved in a pre-Covid-19 environment. Other evidence comes from the National Association of Estate Agents transaction reform trial which reduced transaction times; and at UK property auctions, where all the information is provided upfront in a legal pack, over 20,000 properties a year are sold as soon as the hammer falls on the final bid.

It is clear that although substantial reductions may not be possible during Covid-19 and in the run up to the stamp duty deadline, implementing these changes now could help to keep the time to move to a minimum, which in turn should reduce the chance of sales falling through.

What's the catch? Will it cost me more?

When you factor in the average loss of around £700 when a transaction falls through and remember that pre-Covid-19 34% per cent of sales did not go ahead, the short answer to this is no! Many property lawyers offer a 'no sale, no fee' option, or if they don't, they won't charge you until the sale completes or you decide not to move.

If you select a property lawyer who does not provide a 'no sale, no fee' option, then the downside is that if your sale falls through and you decide not to move at all then you may have incurred legal fees but these will usually be less than if you had moved. The upside is **your move** is more likely to happen and might happen more quickly.

The home moving market is doing everything it can to keep everyone safe and make the process of moving home as smooth as possible and never has it been so important to move as quickly and efficiently as possible. To make this work, we need your help and are recommending you instruct a property lawyer on the day you market the property and for buyers, securing a mortgage agreement in principle and make sure the cash you need is readily available.

The two small changes **referred to above** could make the difference between your move going ahead and meeting the March 31st deadline to save up to £15,000 on stamp duty, hopefully avoiding the £700 lost every year by the 34% of movers who experience a sale falling through.