



## **THE HOME BUYING AND SELLING PLEDGE**

### **Industry pledges to work with buyers and sellers to improve the process**

This is an unusual time in the residential property market. The shutdown of the market for Covid-19 created a delayed demand while the Stamp Duty Land Tax concession has encouraged people to bring forward their plans to move. This has put the process under strain but we, as the property industry, want to work with buyers and sellers to ensure that moves progress as quickly and smoothly as possible.

This is not about introducing new steps into the process, but it is about gathering information earlier in order to save time later and give us the opportunity to resolve any issues before they hold up the sale.

In order to improve the process, property industry bodies, pledge to encourage the following:

#### **Selling Agent**

1. Obtain the information to complete the Consumer Protection from Unfair Trading Regulations 2008 (CPR) CPR material facts disclosure
2. Ask the seller to procure Gas Safety, EICR, Energy Performance and EWS1 Certificates where required
3. Send the sales particulars/brochure, chain details and your CPR material facts disclosure to the seller's property lawyer and the buyer's property lawyer broker surveyor and valuer
4. Keep everyone informed as the chain details change
5. Complete e-ID verification for the seller and any prospective buyers
6. Ask the seller if there is a Help to Buy charge (HCA charge) on the property and warn that they will need to obtain a valuation, which they will need to pay for, and which can take time

7. Check that potential buyers have, or would qualify for, a mortgage decision in principle and/or obtain evidence of source of funds
8. Outline to the buyer the importance of obtaining a suitable level of condition-based home survey

### **Seller's Property Lawyer**

1. Where suitable, discuss the advantages and costs of preparing as much information as possible for the buyer at the earliest stage
2. Where suitable, check title information and provide advice to the seller about any issues that could cause delays and suggest solutions

### **Buyer's Property Lawyer**

1. Outline to the buyer the importance of obtaining a suitable level of condition-based home survey

### **Buyer's Broker**

1. Qualify the buyer by providing advice around the buyer's affordability and access to suitable mortgage products prior to, or at the time of making an offer
2. Identify lenders whose lending policy accepts the issues disclosed as CPR material facts
3. Provide the CPR material facts disclosure to the lender with the mortgage application asking them to pass it to their valuer to reduce post valuation queries and re-inspections

### **Buyer's Surveyor/ Valuer**

1. In the context of a home survey, review any relevant information provided by vendor/ agent/ client in preparation for our report. We will conduct a physical inspection of the property to establish the condition, identify defects and where possible highlight other matters which may be of interest to other professionals acting on your behalf
2. In the context of a mortgage valuation, we will review information as required by the [Red Book, UK National Supplement](#)
3. Where possible, describe clearly in the report any alterations or additions that we would expect to have local authority or other consents, so that they can be easily identified by others.

4. Ensure complete and clear records are retained, in line with current industry standards and legislation

## **Buyers and Sellers**

If you are actively buying, or selling, or both, then we would like you to read the [How to Buy](#) and [How to Sell](#) guides and then do what is suggested below. We need you to play your part and help us to make your move go smoothly.

### **Sellers**

1. Instruct your property lawyer before, or at the same time as you put your property on the market. Provide them with your ID information to enable them to carry out anti-money laundering checks. They cannot start work until these checks are completed. Provide title information and any plans, deeds, notices, any lease and rent and service charge statements and any other information that may be relevant to a buyer of the property
2. Complete the property information forms and provide your selling agent with information to enable them to prepare the information needed to comply with the Consumer Protection from Unfair Trading Regulations 2008 (CPR)
3. If you benefitted from a Help to Buy (HCA charge) loan find out about the timing and cost of obtaining a valuation
4. Discuss the cost and timing of obtaining leasehold or managed freehold information with your property lawyer
5. Ask your property lawyer to review the sale information and to let you know about any issues that can be resolved at an early stage to reduce the chances of delay or fall through.
6. Make sure that you understand the fraud risks, particularly email intercept fraud, and discuss how you can reduce the chances of being exposed to fraud with your property lawyer. Do not ignore or dismiss fraud warnings that you can be certain come from your bank or your property adviser.

### **Buyers**

1. 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.

2. Instruct your property lawyer before making an offer. Provide them with your ID information to enable them to carry out anti-money laundering checks. They cannot start work until these checks are completed.
3. Ask your property lawyer to tell you about the CPR material facts disclosure provided by the selling agent
4. Remember that the selling agent has a primary duty to act in the interests of the seller
5. Ask your surveyor to recommend the appropriate level of condition-based home survey and provide a copy of the survey report to your property lawyer
6. If you are buying with a mortgage, provide your mortgage broker with the CPR material facts disclosure
7. Make sure that you understand the fraud risks, particularly email intercept fraud, and discuss how you can reduce the chances of being exposed to fraud with your property lawyer. Do not ignore or dismiss fraud warnings that come from your bank or your property adviser

Notes: The pledges apply in England and Wales