



## **A Blueprint for the Future of Homebuying**

### **Introduction**

This Blueprint has been created to set out a platform for improving the property transaction process.

While borne out of frustration with our collective (industry and Government) lack of progress to date, the Blueprint is, in fact, very much a forward looking document. It identifies the key ways in which we can achieve greater transparency, commitment and efficiency in homebuying and selling.

The Blueprint is not a self-interested proposition – either on behalf of a single business interest or, indeed, a narrow group of businesses.

The Blueprint is also not influenced by a particular property professional (e.g. estate agent, surveyor, lender, conveyancer or search company).

Rather, the Blueprint is the brainchild of the E-Homebuying Forum – an industry grouping of businesses that span the property transaction from marketing to completion. As a group we have developed a unity of purpose via the Blueprint which transcends self interest.

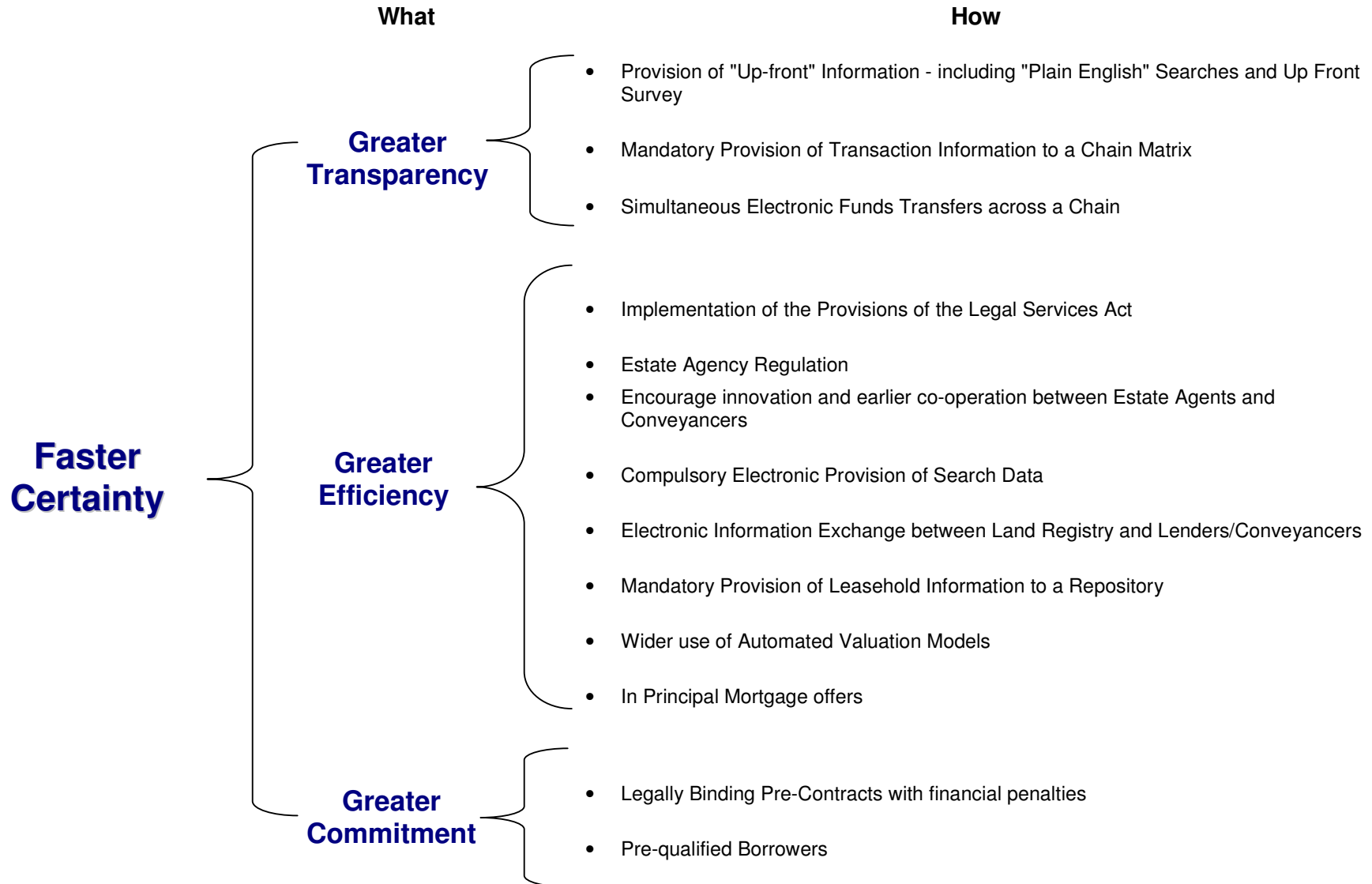
As such, the Blueprint is a strategic high level “call to action” for Government and industry. We hope that this will create momentum towards the necessary sanction and traction.

Lastly the Blueprint restates some improvements to the process that in principal have already been attempted with very mixed results. The E-Homebuying Forum represents the ideal interface between Government and industry. While it is devoid of business or professional self interest it still retains the commercial perspective necessary to identify how industry can deliver the envisaged citizen benefit.

The message for industry is this – read the Blueprint. If you can give it your broad support, join the E-Homebuying Forum to build the necessary momentum for change. Yes we can!



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## **Blueprint for the Future of Homebuying – Explained**

### **Greater Transparency**

- *Provision of "Up-front" Information - including "Plain English" Searches and Up Front Survey*
  - For most people, buying or selling a home is the most important financial transaction they will undertake. The Forum therefore believes it is vital that both the buyer and the seller have the necessary information at the outset in order to inform their decision making process – this information could be provided in some form of a Home Condition Report.
- *Mandatory Provision of Transaction Information to a Chain Matrix*
  - The creation and effective use of a Chain Matrix would ensure all parties involved in any homebuying or selling process were fully aware of progress. In order for the Chain Matrix to be successful and have sufficient industry buy in we believe the Government needs to make it a mandatory element of the home buying process.
- *Simultaneous Electronic Funds Transfers across a Chain*
  - Not only will the simultaneous completion of Electronic Funds Transfer greatly help fraud prevention in the marketplace it will also help deliver faster certainty to the consumer.

### **Greater Efficiency**

- *Implementation of the Provisions of the Legal Services Act*
  - In order to facilitate greater co-operation the Forum believes that industry must support the Legal Services Act 2007 which ostensibly allows opportunities for solicitors to team up with non-lawyers and to attract capital for their businesses in a regulated environment.
- *Estate Agency Regulation*
  - Greater regulation of the Estate Agency marketplace would provide consumers with greater confidence in the homebuying and selling process
- *Earlier Engagement*
  - The Forum believes it is important to encourage innovation and greater co-operation in order to support earlier engagement between estate agent and conveyancers.
- *Compulsory Electronic Provision of Search Data*
  - The availability and easy access to this data is essential to achieving greater efficiency in the marketplace
- *Electronic Information Exchange between Land Registry and Lenders/Conveyancers*
  - The widespread use of electronic information exchanges is a key part of working towards faster certainty as it will remove significant time delays

- *Mandatory Provision of Leasehold Information to a Repository*
  - Despite this information being essential for leasehold transactions, it does not currently exist in a manageable format, the creation of a repository would address this.
- *Wider use of Automated Valuation Models*
  - The Forum believes AVM's help provide greater confidence in the homebuying marketplace and will help deliver faster certainty for the consumer. Good data is critical to an AVM, which highlights the importance of quality information being provided upfront in a survey.

### **Greater Commitment**

- *In Principal Mortgage offers*
  - Whilst this concept already exists, the Forum believes greater awareness of the usefulness of these is a key part of faster certainty and would be of benefit.
- *Legally Binding Pre-Contracts with financial penalties*
  - The Forum believes that a binding pre-contract with a financial penalty should be signed at the time of offer acceptance in order to both help put an end to gazundering and to give greater certainty to the marketplace.
- *Pre-qualified Borrowers*
  - Ensuring all buyers are pre qualified is a sure step on the way to faster certainty and one that there is industry wide support for.