

Who was responsible for house price increases?

It makes you wonder who is benefiting from house price increases, certainly not the homeowner who wants to move. Your house increases in value, so what, so does everybody else's, so by the time you have paid an estate agent, and the stamp duty you are probably worse off.

The people who do benefit are those who do not want to move and can use the increase in equity in their property to borrow relatively cheap money for lifestyle enjoyment. The government must love them, putting money back into an economy that is pretty stagnant.

THIS ARTIFICIAL INCREASE IN PAPER WEALTH HAS BEEN CREATED BY GREED.

The other major recipient is the Government, more revenue from stamp duty and also inheritance tax.

Local councils also benefit from properties moving into higher tax bands.

From rightmove's web site it would appear that selling a house is taking a minimum of 70 days, well from experience that could probably be doubled. Most people find that buyers are in a chain, and what is worse is that estate agents are showing homes to people that have not even put their homes on the market. As house prices increase the first time buyer hasn't really got a chance, so the movement from the bottom of the chain is non-existent, and that slows down the whole process.

When I last discussed the house selling mess with Richard Dyson (mail on Sunday) my web site Homeownersales was delivering a system for homeowners to sell their own homes from our site, but as was pointed out it was high on help but poor on exposure. We looked at the whole system of finding property via the internet and came to the conclusion that there was no easy way.

Our aim is to create a oneseach property portal, enabling all owners of property to register their homes for sale, FREE of charge. The data would be far more comprehensive, and eventually an intelligent search engine would make finding your dream home a quick and enjoyable experience. The browser would pay a small fee to access the final data, which would give information as to who was selling the property and a web site link.

Even if you are lucky enough to sell a property, it is not always possible to find one to buy in the short time from signing contracts to completion. Easier access to all property for sale would help this situation, and freeing up property held in chains would be a benefit to everyone.

The Government is great at putting up smokescreens, the sellers pack will be the answer to all these problems, how misguided can you get. What seemed like a sensible idea is turning into a clever little scam to create jobs for the boys.

The Home Condition Report (part of the sellers pack) is a classic example of getting into bed with the wrong partner. The RICS have hijacked this idea of a Home Condition Report and turned it into a great little earner for their members who were getting short of work. The work involved in compiling one of these reports is greater than a traditional Homebuyer survey, so where is the logic in that, more time and more money for the seller.

Without going into detail in this letter, Homeownersales have a far more logical solution to that problem. The Government have come up with some sensible improvements in the selling process, and that is to make searches electronic, and also to make Conveyancing electronic, or at least have the progress of Conveyancing monitored more closely.

So, have we made any progress, it would appear not.

Document created by David Moldon (Homeownersales) October 20th 2003.