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LOAN OFFERS BEING WITHDRAWN BECAUSE OF CONVEYANCING DELAYS – NEW IPAV SURVEY

The conveyancing process, the legal transfer of property title from seller to buyer, has become so lethargic that mortgage loan offers are being withdrawn, a new survey of estate agents has found.

A massive 84% of agents say sales have fallen through because of such delays.

On average conveyancing of a property has been found to take about four months to complete – over 10.4 weeks between a sale being agreed to the signing of contracts, plus a further 5.3 weeks between the signing of contracts and the closing of a sale.

Conducted in July with 534 agents' participating, it also found:

88% of IPAV members have experienced delays in the conveyancing process.

On a scale from 0 (least important issue) to 100 (greatest issue), on average respondents ranked the conveyancing process at 75.

70% said the withdrawal of loan offers occur occasionally, 26% said it occurred frequently and 4% said it happened very frequently.

60% of respondents said that delays in securing documentation and problems with deeds were the biggest reason for conveyancing delays occurring. Problems with communicating with the vendors' and purchasers' solicitor were ranked highest by 23% and 14% respectively.

86% said that conveyancing times have not improved since IPAV's first conveyancing survey in 2015 and 75% said that initiatives put forward by the Law Society in 2019, such as the Pre-Contract Investigation of Title (PCIT) have not improved the situation.

62% of respondents said the current conveyancing process is not at all efficient.

Pat Davitt IPAV Chief Executive said: "Conveyancing delays put extra worry and pressure on purchasers and vendors as well as extra rental costs too in many cases at a time when budgets are very tight."

He said the Sellers Legal Pack for Property Buyers' Bill 2022, due to reach Second Stage in Dáil Éireann on 5th October, is designed to address the situation and make the whole process more efficient.

He said the survey found that 97% of IPAV members support the legislation, because of its clear benefits and the certainty it gives vendors and purchasers.

"The Sellers Legal Pack involves gathering the critical documents up front prior to a property going on the market. It is currently used very effectively in online and public auction sales for many years," Mr Davitt said.

He said it front-loads the current conveyancing process rather than beginning it when a property goes sale agreed.

"The Sellers Legal Pack Bill, when enacted, will speed up the entire sales procedure without adding any further costs to the consumer, and it will also help put an end to the practices of gazumping and gazundering," he concluded.

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