



Welcome to the March 2021 Property Market Comment, following a very eagerly awaited budget. Fortunately for the property market, there was no immediate bad news at all, especially in respect of the much-publicised Stamp Duty deadline.

In a nutshell, nine months ago, the government sought to bolster the economy by helping the property market, by the temporary removal of up to £15,000 in SDLT (Stamp Duty) on a property purchase. That concession was due to end on 31st March but, because the property market has been so buoyant during the pandemic, huge numbers of transactions had put pressure on the conveyancing system, causing delays. Thousands of transactions could have missed the deadline and there had been suggestions of fall-throughs and price renegotiations as a result.

Fortunately, this has been avoided because the Chancellor has extended the deadline, to avoid that cliff-edge, until 30 June. This means that most transactions currently in the system should hopefully squeeze through by then. But he has also tapered the concession off between 1st July and until 30th September, when the first £250,000, not the current £500,000, of a purchase will be free of Stamp Duty. So that's really good news for the property market and we expect this to herald what is already looking like a very busy spring and summer market ahead of us.

This Government clearly believes in home ownership and especially helping first time buyers get on the property ladder. As we know, high property prices have made that difficult, due to mainly young people requiring large deposits of maybe 10% of the property's value. So the government will now be guaranteeing the loans of banks that are prepared to lend to any buyer with just a 5% deposit. So that's 95% mortgages available once more, up to £600,000.

Interest rates, for the time being, remain incredibly low and the government is controlling unemployment by extending the furlough scheme until the end of September when most businesses are expected to return to pre-pandemic levels of employment.

Britain has proved once again that we are extremely good at weathering storms, as proven by our amazing vaccine roll-out programme, and with the end of the pandemic now very much in sight, confidence levels are already beginning to improve.

We have very high hopes for the rest of this year, so if you're contemplating a move during 2021, now would be an excellent time to take action. Why not call us for some free guidance, on xxx xxx xxxx? You might be pleasantly surprised!