

Home Information Packs Q&A's

The law governing how residential property is marketed in England and Wales has changed. A new set of documents called a Home Information Pack (HIP) is required for every home that comes up for sale. This leaflet sets out the answers to questions that many sellers will have about HIPs.

Harrison Murray is completely familiar with HIPs and will be able to take care of everything that is needed. Our staff will be happy to answer any further questions that you may have.

What is a Home Information Pack (HIP)?

The HIP is a collection of documents that must be put together before a residential property is put on the market. These include: local authority searches; drainage and water searches; an index of the documents in the pack; Evidence of Title – which proves who owns the property; and a Sales Statement – which lists the address of the property, the tenure (freehold, leasehold or commonhold) and the status of the person selling (owner, executor, trustee, etc). Most of these items are needed anyway when a sale is arranged. The pack must also contain an Energy Performance Certificate (EPC) that will show the energy efficiency of the property. It is also a requirement that further information is included if the property is a leasehold or commonhold and if the title is unregistered.

Why do I need a HIP?

Because the government wants prospective buyers to see certain legal information before they make an offer for a property and also because the new Energy Performance Certificate is required under European Union law. The Government has effectively moved most of the costs of a transaction from the buyer to the seller and now requires information to be available at the point of marketing, not the point of sale. The good news is that if you buy another property a HIP may already be available for you to use.

Who prepares the Energy Performance Certificate (EPC)?

There is a new breed of property inspector called a Domestic Energy Assessor who will visit the

property and take all sorts of measurements and data. Among other things they will look at the insulation in the roof space, what sort of central heating boiler is installed, whether there is double glazing, and if there are low-energy light bulbs. The inspection takes between on average between 45 minutes and two hours.

What is in an Energy Performance Certificate?

From the collected data the Domestic Energy Assessor will produce the EPC which rates the property on a scale of A to G, where A is the most energy efficient and G is the least efficient. The results are displayed in a coloured graph, very much like those seen on new freezers and refrigerators. The report will estimate the current fuel costs for the property and detail measures that could be taken to improve the energy efficiency of the building. It will detail how much such improvements might cost.

When do I need a HIP?

The scheme started on August 1st 2007 for all properties with four or more bedrooms. From September 10th 2007 all properties with three or more bedrooms needed a HIP. All other properties needed a HIP from December 14th 2007. These three dates are known as 'Implementation Dates' and are important in determining whether you need a HIP.

Until May 31st 2008 properties can be marketed as soon as a HIP is ordered. From June 1st 2008, unless the Government changes the rules, no marketing of a property can begin until the HIP is physically complete.

How do I get a HIP for my property?

Harrison Murray will take care of everything for you. We are one of very few estate agents in the country who have a sister company, HipsAssured that is a 'pack provider' and this has major advantages for sellers who choose Harrison Murray.

- We have direct contact with the pack provider – which means we know what is going on!
- You receive a letter, email or text message whenever a document arrives in your pack.

- You can follow the progress of compiling the pack on the internet.
- Unlike many pack providers Hips Assured will not use your details to try and sell you a mortgage, conveyancing or any other services or products.
- Our team will take care of getting everything needed for the HIP.

How long will it take to get a HIP?

Most HIPs take about 5 - 10 days to fully compile though the EPC inspection usually takes place within about 48 hours of you instructing us.

How much does a HIP cost?

The cost of a pack will vary according to whether you are selling a freehold, leasehold or commonhold property and whether or not the title is registered at the Land Registry. Harrison Murray ensures that the cost of its HIPs is always competitive and our staff will be pleased to advise you of current prices at the time you instruct us.

Does the HIP have a shelf life?

No. Documents in the HIP can be no more than three months old, and the EPC can be no more than 12 months old at the time that marketing first commences.

Do I have to renew any of the documents in the HIP?

No. There is no requirement on the seller or their agent to renew any of the pack documents once the HIP is prepared. It is entirely up to the buyer and their advisors to decide if they want to update any documents, such as the Searches.

I want to sell privately. Do I still need a HIP?

Yes, you do. The law says that the person 'responsible for marketing the property' must have access to a valid HIP and if you market your own property then you are the 'responsible person'. Failure to comply with the law may result in a £200 fine and although the law is not entirely clear, this could be £200 per day. It is much quicker, simpler and easier to instruct Harrison Murray and let us deal with everything on your behalf.



See our website www.harrisonmurray.co.uk for details of your nearest branch or call Head Office on **01604 788288**

I have had my property on the market with an agent in the weeks leading up to the relevant implementation dates. If I change to another agent after that will I need to get a HIP?

No. There is a lot of confusion among agents on this point but we have obtained firm guidance from the responsible Government department and in this situation your property does not need a HIP providing there is no break in marketing when you change agents.

What happens if I take my property off the market for any reason. Do I have to get or renew a HIP?

Generally speaking the answer is 'No'. If your property has a HIP and you want to temporarily stop marketing you can put the property back on the market within one year of the date of withdrawal and still use the original HIP.

Who can look at a HIP?

Anyone can ask to see the HIP for a property and they must be given access to it within 14 days of the request being made. By law there are only three circumstances when it is possible to refuse a request to see a HIP and all Harrison Murray staff are trained to recognise these situations.

How will people look at a HIP?

It is expected that most HIPs will be viewed on-line over the internet as this is free of charge to the viewer. If someone wants a printed copy of a HIP they must pay for it and most HIPs will cost them about £25.

Will HIPs improve the home buying process?

It is too early to tell. You have probably read newspaper articles that question whether HIPs will have any real beneficial effects. A very large section of the property industry has told the Government that HIPs is not the way to improve the home buying process. However, whether or not HIPs do any good, we must all comply with the law.

I see estate agents advertising lots of different prices for HIPs and lots of different ways to pay. Why should I choose Harrison Murray?

HIPs is the biggest change to the home buying process in the last 20 years and there is a whole new industry springing up to supply the packs to estate agents. Their charges range from about £199 to over £500. Some agents will charge up-front for the pack, others will say the cost is included in their fees – which of course will have to go up to cover the extra cost of the pack. A few may even offer a 'free' HIP but are likely to make the seller sign up to their agency for an extended period of time and some will want you to sign up to a credit agreement which means paying for the pack over many months. The agents and pack providers offering 'cheap' HIPs will mostly be looking to make their money from selling conveyancing and financial services. And because the Energy Performance Certificate contains lots of detail about the improvements that could be made to a property sellers should not be surprised if they try to sell them double glazing as well!

- The Harrison Murray Home Information Pack comes from our sister company, HipsAssured and with an absolute guarantee that the sellers details will not be passed without permission to any third party company that wants to sell something.
- We are charging a competitive price for our HIPs and will deliver it as quickly as possible so that the marketing of a home can start without undue delay.
- Clients of Harrison Murray will be dealing with one of a very few estate agencies that has a sister company producing the HIP and that means not only a very high service standard but also the fact that questions can be dealt with quickly and efficiently.

All Harrison Murray staff have received extensive training to deal with Home Information Packs and to make sure you receive a first class service from our branches. Please feel free to contact us to discuss any aspect of HIPs or the marketing or purchase of a property.