

Home Information Packs (HIPs)

Introduction

Home Information Packs, including Energy Performance Certificates, have been introduced on a phased basis from 1st August.

From then, Packs will be required for the sale of four bedroom properties and larger, with smaller properties being phased in as soon as sufficient energy assessors are fully qualified.

Until the end of this year, properties can be marketed as soon as a pack is commissioned, and as a temporary measure Energy Performance Certificates can be up to 12 months old when a property is put up for sale.

Frequently Asked Questions (FAQs)

The Government is introducing HIPs in order to provide potential purchasers with more information earlier in the sales process and, as a consequence, improve the speed and certainty of completing an agreed sale.

At Hamiltonscs LLP (Hamiltons), we have made arrangements to organise and provide HIPs on behalf of our clients. In order to alleviate concerns that you may have in respect of the new procedures, we have set out below some answers to the more FAQs.

1) What is a HIP?

The Home Information Pack consists of several mandatory authorised documents which include:

- (1) an Index (list of contents of the HIP)
- (2) an Energy Performance Certificate (EPC) or Predicted Energy Assessment (if house not completed)
- (3) a Sale Statement (summary of terms of sale)
- (4) Evidence of Title
 - copy of registered entry
 - title plan
- (5) Standard Searches

Optional documents may include:

- a Home Condition Report, Home Use form, Home Contents form, guarantees, warranties and other useful information to assist a purchaser

2) How long will it take to produce a HIP?

It should normally take between 1-3 weeks to obtain all the necessary documents required in the HIP.

3) Can the property be offered for sale before the HIP has been produced?

Until the end of this year, properties can be marketed as soon as a pack is commissioned, and as a temporary measure, Energy Performance Certificates can be up to 12 months old when a property is put up for sale.

4) Who is responsible for preparing a HIP?

If an agent is selling your home then it is the agent who is the "responsible person" who ensures that the contents of the HIP are accurate and are available for potential purchasers to inspect.

5) Does the HIP have to include a survey?

At the present time, it is not mandatory for a HIP to include a survey (Home Condition Report). This is optional, although the government is encouraging vendors to include one in the pack.

6) My property is leasehold. Does this have an effect on the HIP?

For leasehold properties, several other documents will be mandatory in the HIP. These include a copy of the lease and other documents relating to service charges, ground rent, insurance and management committees.

7) Are any properties exempt?

The legislation applies to residential properties, marketed with vacant possession (including investment properties). There is a list of 12 types of property for which HIPs will not be required, including commercial properties, farms and property portfolios etc.

8) Who will view the HIP?

All prospective purchasers, unless they are unlikely to have insufficient means to buy the property, are not generally interested in buying the property, or they are a person to whom the seller is unlikely to be prepared to sell the property (the criteria for which is agreed in advance). Those eligible will have the right to view the HIP, either via the internet or hard copy. (A charge may be made for the latter). They may need to ask their solicitor to help them interpret some of the information it contains.

9) How long is the HIP valid for?

A HIP will be valid for as long as the property remains on the market, although the validity of Searches over three months old may be questioned by the purchaser's conveyancer.

10) How much will a HIP cost?

Initially, a pack can be purchased through Hamiltons at a cost of £500 including VAT for a four bedroom freehold property. The price will vary for Leasehold properties and additional accommodation. Please ask our staff for a quotation.

If you require any further information you can access the complete legislation at www.homeinformationpacks.gov.uk or speak to us on 01452 522131.

Hamiltonscs LLP have prepared this summary of information in good faith and it is not intended to be a detailed guide to the law. It must not be relied upon without reference to the Home Information Pack Regulations 2007 and the explanatory note to Part 5 of the Housing Act 2004.