

## **HOME INFORMATION PACKS**

The government is introducing Home Information Packs (HIPs), which will be compulsory for the sale of residential property in England and Wales with effect from 1<sup>st</sup> June 2007. There has been much controversy over the introduction of HIPs and the general feeling is that this is yet another piece of “red tape” which will involve extra expense and will do nothing to speed up or simplify the house moving process. Our intention, as always, will be to do our best to ensure that the process is as efficient, cost-effective and trouble-free as possible for our clients.

The Home Information Pack Regulations 2007 have now finally been published and comprise some 56 pages of complex rules and regulations. In essence, they require the seller of any residential property to have a HIP prepared before it can be marketed, and specify in great detail the documents and information which must be included, the timescales for the addition of supplemental information, updating of the HIP and production of copies of the HIP to prospective buyers, and impose penalties for non-compliance. The required documents and information include:

1. An index of the contents of the pack
2. An energy performance certificate (or equivalent)
3. A sale statement summarising the terms of the sale
4. Evidence of the legal title to the property
5. Standard property searches
6. Leasehold information (where appropriate) including a copy of the lease and rent and service charge details.

The much publicised Home Condition Report is not now to be compulsory when HIPs are introduced, but could be a requirement in the future.

The only transitional relief is that if you are able to get your property on the market before 1<sup>st</sup> June 2007, you will not be required to provide a HIP if it is sold by 31<sup>st</sup> December.

The documents and information to be included in the HIP have always been required as part of the conveyancing process (other than the energy performance certificate, which is a new European Union requirement), but they were previously only required once a sale had been agreed and the buyer had to carry out his or her own property searches and pay the cost of these. Now the seller is required to assemble the full HIP at his or her own expense before the property can even be marketed.

Numerous organisations have jumped on the HIPs bandwagon offering to package HIPs with other services and we anticipate that there may be some “hard sell” of their products. However, the HIP is a detailed and complex legal document which needs to be carefully prepared to comply with the law, and we firmly believe that experienced professional lawyers such as ourselves are best placed to prepare these packs for sellers and interpret them for buyers.

We will therefore be providing our own HIPs service as part of our interactive “ConveyanceLink” conveyancing service, which combines advanced online communications with the assurance of expert and truly independent legal advice and a facility to defer the cost of the HIP.

We will make completion of the required documents as simple as possible. The forms will be available online (or by post, if you prefer) and we will of course guide you through the information necessary to complete them if you so wish.

Please do not hesitate to contact any member of our Conveyancing Department for further advice. Most importantly, if you are planning to move house, please contact us as the first step so that we can prepare your HIP in advance and so avoid any delays or hitches in the marketing of your property.