



## HIPs Question and Answer Guide

Please find the most commonly asked questions about HIPs along with their answers.

### So what is a Home Information Pack or HIP?

The pack contains both information that was traditionally always provided by the seller, but is now simply required at an earlier stage of the process, along with some new items such as an Energy Performance Certificate. The HIP must contain a number of specified documents. Even the order of the documents in the HIP is regulated!

### What is in a HIP?

Your HIP contains as a minimum:

- **Home Information Pack Index** – a simple list of the documents in the pack.
- **Energy Performance Certificate** – This tells you how energy efficient your home is and the CO2 impact your home has – both banded A to G, with A being the most efficient. The UK average is D-E. The certificate will give you suggestions for how to make improvements in both of these areas.
- **Sale Statement** – basic information about your property.
- **Standard Searches** – for example land charges, planning permissions, drainage and water searches.
- **Evidence of Title** – documents which prove you are able to sell the property.
- Some extra information if your property is **leasehold or commonhold**.

### What is the point of a HIP?

The Government decided to bring in HIPs to make the buying and selling of houses in the UK smoother... reducing the risk of surprises later in the process and reducing the number of transactions that 'fall through'.

### Who must have a HIP?

Anyone who has put their 4 or more bedroom home on the market since 1<sup>st</sup> August, or their 3 bedroom home since 10<sup>th</sup> September 2007 needs to have had a HIP commissioned. It is expected that this will be extended again to cover all properties in the near future.

### Does my HIP need to be completed before I can start to market my home?

Until the 31<sup>st</sup> December 2007 you can still begin to market your home as long as you can prove a HIP has been commissioned, even if it is not yet complete.

### So what do I need to do differently now I need a HIP?

Previously, people selling their property would speak to their Estate Agent for them to value the property and then begin marketing it straight away. Once an acceptable buyer was found, you would instruct your solicitors. Because of the new requirement to have a Home Information Pack at the beginning of the process it is now important that you speak to your conveyancing solicitor at the earliest possible stage.

### **How much will a HIP cost?**

The work to create your HIP is the same (except for the ordering of Searches and an Energy Certificate) as is currently done by VSH Law when we prepare your contracts package in the current conveyancing process.

To prepare a HIP we simply do some of our work before you find a buyer. Therefore the only additional cost is that of the Searches and the Energy Certificate which is currently £300 inclusive of VAT.

HIPs for flats will cost a little more, as there will be costs charged by the management company for providing certain required information, but this is not a new cost in selling a leasehold property.

If you choose to have your HIP produced by someone other than your conveyancing solicitor, you could find that you are paying twice for some items in your HIP.

### **How long will a HIP last for?**

As long as your property remains on the market there is no need to update your HIP.

If you take your property off the market, as long as you put it back on again within a year of when you began marketing property you need not update your HIP.

If your property sale fell through and it is over a year since you started marketing your home, you can still use your existing HIP as long as you restart marketing within 28 days of the sale falling through.

### **Why use VSH Law to prepare your HIP?**

**We're experienced legal professionals:** The HIP is now the first legal requirement in the process of selling your home. It makes sense to have a legal professional undertaking this on your behalf. There are a few exceptions to the rules on HIPs and we will be able to advise you whether you need one in the first place! Your finished HIP will be HIP Code compliant, meaning it will be acceptable to all potential buyers.

**We understand the whole buying and selling process:** As experienced solicitors we have the necessary skills and knowledge of the conveyancing process to interpret the documents and warn you of any potential issues that could arise in your sale and allow you to address those at the earliest opportunity.

**You'll only have to pay once:** There are companies who only offer a HIP service who will charge you for putting the pack together. Then, you'll need to find a solicitor who will still charge their fees for the conveyancing. As much of the HIP is already covered in the conveyancing process itself, you'll be paying twice for some of the work. It makes sense for your conveyancers to also prepare your HIP.

**You can trust us to do a good job:** We are able to offer you a seamless service from start to finish. VSH Law are a regional firm trusted by thousands of people to look after their interests.

**Contact us now at [www.vshlaw.co.uk](http://www.vshlaw.co.uk)**