

## **HIPS on All Properties**

The Government has announced that with effect from 14<sup>th</sup> December virtually all residential properties coming on to the market will now require a Home Information Pack (HIP), providing prospective buyers with legal and energy efficiency information in advance.

The complete rollout of the initiative had initially been planned for 1<sup>st</sup> June this year, but in the event it has been phased in over the past four months. Only houses of at least four bedrooms had initially required a HIP from 1<sup>st</sup> August, which was then extended to houses with at least three bedrooms from 10<sup>th</sup> September. This has now been extended to one and two bedroom homes as well.

Had the plan been implemented fully in the summer there would have been huge delays in producing the required Energy Performance Certificates (EPCs) because of a deficiency in the number of qualified Domestic Energy Assessors (DEAs) required to carry out the EPC inspections. However, the number of DEAs is such that home sellers should not experience any delay in obtaining their HIP. Early monitoring indicates that the average time for an EPC to be prepared is 2-4 days, with 5-7 days for the HIP itself.

The Government has also extended the temporary “first day marketing provisions” until 1<sup>st</sup> June 2008. This means that if you put your property on the market before this date you will be able to commence marketing once your HIP has been commissioned, rather than having to wait until it is actually ready. This allows proactive agents such as Phillips & Stubbs to take advantage of waiting buyers the moment a property becomes available.

The Government is also temporarily relaxing the requirement for full documentation for leasehold properties, and for the next five months a leasehold HIP will not require many of the intricate details of service charges etc.

Bear in mind that if you are both buying and selling, the cost of a HIP (typically about £350) is mostly money that you would have spent on your purchase in any event, but is now simply shifted onto your sale costs instead. The advantage is that your sale and purchase are now more transparent and therefore likely to proceed to a swift and reliable completion so you can enjoy your new home sooner.