

HOME BUYERS AND SELLERS GUIDE TO
HOME INFORMATION PACKS



The Government is introducing Home Information Packs with the aim of improving the process of buying and selling a home for consumers. Currently this can be a stressful and costly experience which is prone to delay and failed transactions.

From 1 June 2007 home owners in England and Wales will need to arrange for a Home Information Pack to be prepared before marketing their homes for sale.

► HOME TRUTH

Home Information Packs can help all parties to commit more quickly and reduce the risk of sales falling through.

More details are available about the introduction of Home Information Packs at www.homeinformationpacks.gov.uk

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This leaflet provides details about the introduction of Home Information Packs.

1 What is a Home Information Pack?

The Home Information Pack is a set of documents providing important information about a property, such as its energy efficiency, boundary ownership and planning permissions. Although available now voluntarily, they become compulsory from 1 June 2007 in England and Wales to improve home buying and selling for the consumer and as part of wider action to cut carbon emissions from homes. This means every person selling their home after this date must provide potential buyers with a Pack.

The Pack includes an Energy Performance Certificate (EPC) plus searches and other legal documents. A Home Condition Report giving details on the condition of a

property can also be included in the Packs.

2 How will Home Information Packs help the current buying and selling process?

Home Information Packs aim to reduce the stress of buying and selling a home by providing key documents at the time a property is put on the market. Currently this information is not normally made available until after an offer has been negotiated often causing sales to be renegotiated or collapse altogether.

The Packs aim to increase confidence in the sale process from the start. Estate agents marketing homes with Packs will be required for the first time, to belong to an approved consumer redress scheme. This means more peace of mind and a better standard of service for consumers.

▶ HOME TRUTH

Consumers will now have more of the facts up front when buying a home.

▶ HOME TRUTH

You don't have to wait until June 2007 to benefit from Home Information Packs – they are available now.

3 What is in a Home Information Pack?

The Packs will include the key documents that are normally required when homes are bought and sold. Some documents will be compulsory and others optional. Legislation will spell out which documents fall into the two categories and they are expected to specify the following:

The compulsory documents are likely to include:

- ◆ An index (i.e. a list of the contents of the Pack)
- ◆ An Energy Performance Certificate
- ◆ A sale statement (summarising the terms of sale)
- ◆ Evidence of title
- ◆ Standard searches (e.g. local authority enquiries and a drainage and water search)
- ◆ Where appropriate, commonhold information
- ◆ Where appropriate, leasehold information

Optional documents will include:

- ◆ A Home Condition Report
- ◆ A legal summary
- ◆ Guarantees and warranties
- ◆ Other searches relevant to the particular area
- ◆ A Home Use Form
- ◆ A Home Contents Form and additional relevant information.

For a short period sellers should be allowed to market their homes with an EPC, sale statement, evidence of title and index, so long as the other mandatory documents have been commissioned.

4 What is an Energy Performance Certificate?

Energy Performance Certificates (EPCs) will tell home buyers and sellers about a home's energy efficiency – using A to G ratings, like those used to rate fridges and washing machines. It is expected that a home's EPC will be attached to the particulars, which estate agents give to potential buyers. The Certificates will also make recommendations for cost-effective improvements that can be made to help cut fuel bills and carbon emissions. Our homes currently account for 27% of the UK's carbon emissions, contributing to global climate change.

The EPC is prepared by Domestic Energy Assessors or Home Inspectors



who are members of a Government approved Certification Scheme. It is estimated that by following the recommendations in an EPC, an average of £300 a year can be saved in fuel bills.

5 What is a Home Condition Report?

The Home Condition Report contains information about the physical condition of a property. Sellers, buyers and lenders will have a legal right to rely on it as an objective and authoritative report. It is prepared by Home Inspectors who are members of a Government-approved and regulated Certification Scheme.

Sellers who provide a Home Condition Report will have an early opportunity to carry out repair work on their home or obtain quotes prior to marketing their home. Potential buyers will be made aware of repairs that they might need to make or they will be reassured that the property is in

▶ HOME TRUTH

The average home owner could save around £300 in fuel bills by making their home more energy efficient.

good condition before they decide to put in an offer. Lenders can also benefit by using the reports to inform their valuations, reducing the need to repeat a site inspection at the buyer's expense.

6 Where can I find a Home Inspector or a Domestic Energy Assessor?

Many sellers will use the services of estate agents or a Home Information Pack provider who will commission a Home Inspector or a Domestic Energy Assessor on a seller's behalf. Sellers can also commission Home Inspectors and Domestic Energy Assessors direct.

Home Information Pack providers, Home Inspectors and Domestic Energy Assessors can be found through high street traders such



as lenders, estate agents and conveyancers or through national, local and online advertising.

7 Who will compile my Home Information Pack?

A number of organisations including estate agents, lenders, conveyancers and specialist Pack providers are already offering Home Information Packs to buyers and sellers on a voluntary basis. In most cases, the Packs will be compiled by one of these organisations, but sellers have the option to compile the Packs themselves.

8 How much will a Pack cost?

The cost of preparing a Home Information Pack will be determined by market forces. Most of this cost already exists – nearly all of the Pack contents need to be provided already under the present process. The only new elements are the compulsory Energy Performance Certificate and optional Home Condition Report.

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Including a voluntary Home Condition Report in your Pack will help your house stand out from the rest.

Home buyers will receive a copy of the Pack free of charge on any property that they wish to consider (although a reasonable charge for copying and posting a copy of the Pack can be made). This helps first time buyers in particular as the Packs will help make it easier and less expensive for them to get their first foot on the property ladder.

9 Can I get a Home Information Pack now?

Yes. Many organisations are now offering Home Information Packs to buyers and sellers on a voluntary basis. To find out more information, please visit:

www.homeinformationpacks.gov.uk

