



**A MESSAGE FROM
KIRSTIE ALLSOPP & PHIL SPENCER**

Kirstie and Phil co-present the highly popular Channel 4 show:
Location, Location, Location;

Dear Home Seller or Buyer.

The firm sending you this letter wants you to be made aware of an important new law that may come in to force next year. It's a law that could have a devastating effect on the property market and which could cost you a great deal of money.

From June 2007 the government intends to force all home sellers to produce a Home Information Pack (HIP). It will contain a variety of legal documents such as a copy of the title deeds, a survey called a Home Condition Report, and an Energy Efficiency Report to show how effectively your home is insulated. The average cost of a pack is estimated at £635 and in cities the figure will be closer to £1,000. On top of that will be 17.5% Vat - which you cannot recover. Anyone will be able to ask to see your Pack, whether or not they want to buy your property.

The government thinks this is a great scheme but we believe that the HIP is bad news for you, the consumer. It could ruin the property market, and will fail to significantly improve the home buying process. The additional costs will outweigh any possible benefits. Faced with the liability for the cost of the HIP, up to 30% of sellers will not come to the market each year. This reduction of supply will lead to intense upward pressure on prices and reduce the choice of properties for buyers.

You or your estate agent will no longer be able to immediately market your home as there will be an enforced delay of up to two weeks while the HIP is prepared. It will be just too bad if you are anxious to sell because you have found an alternative to purchase.

The HIP will have no shelf life so if your property fails to sell in a short period of time the content will become out of date requiring further expenditure to update the documents.

No sensible buyer is going to rely on a survey report that is more than three months old but any listed defects will most likely put people off even coming to view your home.

There is no obligation on building societies and banks to accept the HIP content. The Council of Mortgage Lenders has confirmed that buyers will still face the cost of separate valuation inspections and that means sales will still fall through because the buyer cannot get a mortgage.

Gazumping, gazundering, chains, and the fact that sales fall through because people simply change their minds, will, sadly, all still be facts of property life after HIPs comes into force.

We would like to see cost-effective changes made that would really improve the home buying process but the Home Information Pack is just not it. The only people who will benefit from these packs are the companies that will make a fortune out of compiling them - and the government who will get hundreds of millions of pounds each year in extra Vat revenue.

These are the reasons why we are supporting the campaign group SPLINTA that has called upon the government to stop the implementation of this potentially disastrous measure.

You can help the campaign by writing to your Member of Parliament, telling them that you don't want HIPs brought in. You'll find out who your MP is by looking at this website: <http://www.locata.co.uk/commons/>

If you would like to know more about HIPs and SPLINTA and to sign up in support of the campaign, have a look at this website: www.splintacampaign.co.uk

The Home Information Pack will be expensive and will fail to deal with the real causes of stress and delay in the home buying process. You can help us to stop it happening.

Yours sincerely

Kirstie Allsopp

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