

Police Mortgage Surgeries

| | | |
|---------------|----|-----------|
| Kidderminster | 20 | August |
| Hindlip | 21 | August |
| Keynsham | 24 | August |
| West Midlands | 30 | August |
| Bath | 31 | August |
| Bromsgrove | 3 | September |
| Radstock | 5 | September |
| West Midlands | 6 | September |
| Bridgwater | 6 | September |
| Coleford | 10 | September |
| Taunton | 12 | September |
| Cheltenham | 13 | September |
| West Midlands | 13 | September |
| Gloucester | 17 | September |
| West Midlands | 20 | September |
| Hereford | 27 | September |
| Newquay | 1 | October |
| Penzance | 2 | October |
| West Midlands | 4 | October |
| Worcester | 8 | October |
| Froomsgate | 10 | October |
| West Midlands | 11 | October |
| Cirencester | 17 | October |
| West Midlands | 18 | October |
| Almondsbury | 18 | October |
| Filton | 18 | October |
| Hereford | 22 | October |
| Stonehouse | 23 | October |
| West Midlands | 25 | October |

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|----------------|----|----------|
| Federation | 29 | October |
| Staplehill | 30 | October |
| Portishead | 31 | October |
| West Midlands | 1 | November |
| Tewkesbury | 5 | November |
| Bamfurlong | 5 | November |
| Shrewsbury | 6 | November |
| Telford | 7 | November |
| West Midlands | 8 | November |
| Bath | 9 | November |
| Fed Office A&S | 12 | November |
| Kidderminster | 13 | November |
| St Austell | 19 | November |
| Newquay | 20 | November |
| Keynsham | 21 | November |
| West Midlands | 22 | November |
| Yeovil | 26 | November |
| Hereford | 27 | November |
| West Midlands | 29 | November |
| Hindlip | 30 | November |
| Bromsgrove | 3 | December |
| Taunton | 4 | December |
| Bridgwater | 5 | December |
| West Midlands | 6 | December |
| Gloucester | 7 | December |
| Coleford | 10 | December |
| Radstock | 11 | December |
| Cheltenham | 12 | December |
| West Midlands | 13 | December |

Call in on the day or to make an appointment telephone

01452 547783

Your home may be repossessed if you do not keep up repayments on your mortgage. Think carefully before securing other debts against your home. As Warren & Co are a Member Service, there will be no charge for the administration of your mortgage. You can choose to pay us an up front fee of 1% and we will refund you the fee we receive from the lender.



Interest Rates

The current bank rate is 5.75%. It is generally felt that this will increase over the next three months to 6%. This is anticipated to be the peak.

Looking at mortgage payments as a proportion of take home pay, which takes lower interest rates into account, this suggests that rates could increase by more than 2% before affordability became as stretched as in the late 1980's.

House Prices - First signs of a gradual slowdown

The housing market appears to have reached the point where there is distinct customer resistance to higher house prices.

The pace of house price growth almost doubled during April to 0.9%, up from 0.5% in March. This brings the annual rate of inflation back into double digits at 10.2%.

However, we expect the annual rate of house price inflation to ease back to 6% by the fourth quarter of this year and to 5% per annum in 2008.

During 2006 there were 43,000 more First Time Buyers than in the previous year and 56,000 more Buy To Let purchasers. Existing homeowners trading amongst themselves were even more active with an increase of more than 84,000 purchases.

Housing demand has been resilient, but there are signs that this is beginning to wane across the board. Between December 2006 and February 2007, 3,200 fewer First Time Buyers managed to get onto the ladder compared with the same period a year earlier. Even demand from movers may now be beginning to moderate with 2,500 fewer movers in February compared with the previous month.

Affordability for those entering the market has deteriorated and has led to a fall in the numbers jumping onto the house ladder. It is therefore suggested that this, along with the possible increases in interest rates could lead to a fall in house prices.

However, a major downturn is unlikely.

Low Cost Home Ownership

If you are considering buying your own home but cannot afford to do so outright, either because you cannot afford the full mortgage repayments or the deposit or both, then low cost home ownership may be an option for you.

Some schemes may offer you the opportunity to purchase a share in the property, with the option of buying more shares later on. Other schemes will provide you with a loan to enable you to purchase a property of your own choosing.

For further information, contact our office.

HIP's are being introduced in stages

HIP's are needed for 4 bedroomed properties now followed by 3 bedroomed from 1st September.

It would appear that it is the Energy Performance Certificate that has caused the problem and the delay. This has to be carried out by a qualified assessor and there was a minimum requirement of 2,000 of these assessors. As of 1st June there were only just over 500 and so now with slightly more than 2,000 with another 1,000 coming on line in the next 4-5 months, the Government now feels the time is right to phase in HIP's.

A bit of background first though about something that could effect you if you're thinking of selling your property in the next year. A lot of news is being bandied about concerning the introduction of the Home Information Packs. When originally piloted in 2001, they were full of anomalies, such as "you must include a Homebuyers Survey at a cost of around £550" and "only Estates Agents will be able to offer this service efficiently" As you will appreciate if you have recently bought a new home, or own a home which is less than 10 years old, a homebuyers survey would seem to be excessive!

Yes, there were many flaws, but after much deliberation it has now gone before the House of Commons for a second time, and they have allegedly ironed out the problems, and suggest that all the original queries have been answered. On the 29th of March 2007 the final regulations were laid before Parliament, and accepted. Therefore the HIP that was meant to come into force on **1st June** was supposedly the finished article. Even into May there was dissension between the political parties with the Conservatives saying they would never work and that they would cost in the region of £1000. The Labour party of course denied this, and said they would enhance the buying process at a cost of around £650. On a recent survey, a large percentage of Estate Agents still believe it won't happen.

It is widely considered that the HIP's will reduce customer dissatisfaction, as 9 out of 10 people who are in the buying and selling market are unhappy with the present process. There are several reasons for this. One being that a purchaser doesn't find out key information about the property until after the terms of the sale have been agreed, at that stage, if there is something wrong with the information, it could be too late, as contracts have been exchanged.

The positive view of the HIP is that it should speed up the buying process, because the providers of the service will get things like the searches in quicker than the lawyers. Also it should do away with the unfortunately frequent situation where you the buyer has agreed a price for the house, applied for your mortgage, instructed your solicitor, and started spending money, i.e. surveys, searches, etc. and the seller can't find the house they want, and take it off the market. This could cost you around £1,000.

If your house is already on the market, and you sell it prior to the 31st December 2007 you don't need a HIP. However you will be competing with properties from August which have HIPs and buyers may prefer to view and purchase properties with HIP's in place.

It has come to light that the initiative for this is based round a European directive that requires every property to have an energy rating certificate before 1st January 2009. This is the Governments way of satisfying the requirements being imposed to Europe, whilst also trying to help the global warming problem (that is if there is one!).

We as a company have been monitoring the development over the last year or so, and feel that we can now offer you, our clients, the best solution to this situation. There will always be two sides to everything, and whilst the politicians are trying to score points against each other, we feel that you, the client, has a right to get the full facts. There are quite a few web sites that give you an un-biased view of the HIP and a couple we can suggest are:-

www.habitus.co.uk www.thisismoney.co.uk
www.homeinformationpacks.gov.uk

Our Proposition

We pride ourselves on our service standards, on all aspects of the business, whether it be mortgages, conveyancing, Buildings & Contents insurance, or life insurance. We always try and offer unbiased advice giving you the facts and offering you choices.

With this in mind, and after much deliberation of the many firms offering a service (over 140 at the last count) we have chosen to add Ehip to our range of services.

You may see the similarity to the legal sourcing system, Econveyancer. This is because the same firm is offering us a Hips sourcing system.

With much attention being paid to our Independent status, through Ehip we are able to offer you an Independent HIP at a competitive price. That, along with the savings on the conveyancing, will reduce the overall cost of your move.

The key word, we believe, is **INDEPENDENT**.

HIP's will be available from quite a few sources, such as Estate Agents. They may be offering "free" HIP's, and Solicitors (who will add the cost to the fee)

The Estate Agents charge at present around 1.5%. Will that remain the same with your free HIP? Other catches may be, sole agency only, stay with them for a fixed period, we must do your mortgage and recommend your solicitor.

Think about a HIP from one Estate Agent, who doesn't perform as well as you'd hoped, and doesn't sell your house! You have a branded HIP from them, and are now looking to go to another Estate Agent! This could lead to at least, embarrassment! Neither of these can, by default, be independent, as they both have a vested interest in your report.

We, on the other hand, have none!

Our new sourcing system will offer you choices, speed of service, quality of report, different formats, how you wish to receive the documents, and a mix of the choices. In the future a rating system will be available allowing you to see the service levels. Much the same as our Econveyancer system.

This is a sourcing system where, given the details of the property, and the client details, we can get a quote in seconds offering the cheapest, the nearest or the best rated. We tend to go for the cost as a first consideration, then the rating, because this tells us what other brokers think of the service provided by that specific firm, and lastly the distance they are from you. After all, in this age of technology, you really don't need to meet the solicitor. On past performance this can usually reduce the cost of conveyancing by up to £300.

As with any new advancement, we are always most careful to choose the best provider of service, therefore be assured it will be the best!



Question & Answers

Here are 20 questions and answers, giving you "need to know" about HIP's

When did HIP's become compulsory?

August 1st 2007 (for 4 beds +) and September for 3 beds and the aim is that every property will need one by January 1st 2008

Who needs to know about them?

Everyone involved in buying and selling a home

What is a HIP?

It is a collection of official documents about a property. It must contain:

- An Energy Performance Certificate
- An index of contents
- A statement summarizing the terms of sale
- Evidence of title where the property isn't registered
- Searches
- Leasehold or common-hold documents

Other information may be included such as guarantees, Warrantees, a legal summary or a home condition report

How up-to-date must the documents be?

Key documents, such as the Land Registry evidence of title, searches and the Energy Performance Certificate, must be no more than 3 months old when the property is put on the market.

Is the Home Condition Report a legal requirement of the HIP?

No

Who is a HIP for?

The person who is buying the property

Does the buyer have to pay for the HIP?

No. Except that the person providing the HIP may ask you to cover the cost of postage or copying

And who provides it?

The person who is selling the property or a professional body such as us

Who puts the HIP together?

You can do it yourself, or we will do it for you

How much will a HIP cost?

As mentioned before, prices have been muted to be as high as £1,000, but we would expect them to cost between £250 & £350

Do I show the Solicitor the HIP?

Most definitely

Is it illegal to market a property without a HIP?

You can start marketing it, but the Estate Agent must have at least the Energy Performance Certificate. The other paper-work can follow later as long as it is in place before exchange of contracts.

What is an Energy Performance Certificate?

It states how energy efficient the house is. Based on a scale of A to G (A being the best) It is carried out by an Energy Assessor who visits the property, and looks at the heating, the windows, insulation along with the age, location etc of the property

What if I'm buying a new house, "off plan"

The builder must provide an Energy Certificate, which will be an assessment of the efficiency of the build.

What does the HIP look like?

It should be properly presented in a folder or booklet. but copies will be available on CD-R or from the companies web site.

If my house is on the market before 1st August do I still, still need a HIP?

No, but if it's still on the market by January 2008 you will need to get one done.

How long is a HIP valid for?

If the property is on the market continuously the original one is OK

What if my sale falls through and I have to re-market the house?

If the sale stops, and then starts again, you would normally be required to do a new HIP, but there are some exceptions

- If re-marketing starts within a year of the original marketing
- Re-marketing starts within 28 days of the sale falling through

Does every property being sold need a HIP?

No! the following don't need one

- Non residential properties
- A private sale, maybe to family or friend
- Seasonal or holiday accommodation
- Right to Buy
- Property being sold without vacant possession
- Unsafe properties or properties to be demolished

Do HIP's apply in Scotland or Northern Ireland?

No

If you require any further information, or more importantly, if you are thinking about putting your house on the market in the near future,

Ring our office on 01452 547783 or check out our web site www.warren4mortgages.co.uk