

# Choosing between surveys when buying a property



## Why do I need my own survey?

A survey will help you to make a reasoned and informed decision on whether to go ahead with buying a property.

Before you decide to commit yourself legally, you can limit the risks by asking a chartered surveyor to answer the following questions for you.

- What is a reasonable price to pay for the property?
- Are there any serious or urgent defects or specific risks with the property?

Arranging your own survey is the simple, cost-effective way to avoid unpleasant – and perhaps expensive – surprises after moving in. In some cases, the surveyor's report may allow you to renegotiate the price of the property.

## Do I still need my own survey if I already have a mortgage valuation report?

Even if you are looking for a mortgage and, as a result, may be paying for a mortgage valuation report, we still recommend that you arrange a survey by your own surveyor. Both the Consumers' Association 'Which?' magazine and the Council of Mortgage Lenders give this advice.

The reason for this is that the mortgage valuation report is prepared for your lender – not for you, the borrower. It answers only the lender's questions about whether the property offers suitable security for your loan. You cannot rely on it to answer the questions that concern your personal interests or to give you details of the condition of the property. Also, some lenders do not provide a copy of their mortgage valuation report.

## What choice of surveys do I have?

RICS surveyors offer two forms of survey that are specifically designed to help home buyers. These are a building survey and the RICS HomeBuyer Service.

- A building survey  
(This used to be called a structural survey.)

A building survey is a customised service suitable for all residential properties and gives full details of their construction and condition. You are likely to need this type of survey if, for example, the property is unusually

built or run-down, if the property has been significantly altered, or if you are planning a major conversion or renovation.

Building surveys are usually tailored to your needs. The report includes detailed technical information on materials and construction, as well as details of the whole range of defects.

In Scotland this type of survey is rarely needed, partly because of the speed at which house purchases normally take place but also because buyers will receive a survey of the property, known as the 'single survey', as part of the Home Report. Even in Scotland, however, you may choose to have your own building survey if you are planning a major renovation or conversion for the property.

## ■ The RICS HomeBuyer Service

The RICS HomeBuyer Service includes an inspection, a report and a valuation, and these are all explained in detail in the 'Description of the RICS HomeBuyer Service' the surveyor will give you. The RICS HomeBuyer report is a standard format, and is different to a building survey in three main ways.

1. It is designed for particular types of home. These are houses, bungalows and flats that:
  - are of a traditional type and construction; and
  - are apparently in reasonable condition.
2. It identifies what the surveyor considers to be the most important issues. By applying condition ratings to elements of the building, the services and any garages and permanent outbuildings, the surveyor will tell you whether defects are serious or urgent.
3. It also includes the surveyor's opinion of the market value and reinstatement cost (which you will need for insurance purposes). It focuses on matters that, in the surveyor's opinion, may affect the value of the property if they are not dealt with.

The report also includes other valuable information.

## What else should I know about the RICS HomeBuyer Service?

It is an economical service. Because of the practical limits on the type of property and what the service covers, the RICS HomeBuyer Service is priced mid-range – more expensive than a mortgage valuation, but cheaper than a building survey.

The surveyor's main purpose in providing the service is to help you:

- make a reasoned and informed decision on whether or not to go ahead with buying the property;
- make an informed decision on what is a reasonable price to pay for the property;
- take account of any repairs or replacements the property needs; and
- consider what other advice to take before exchanging contracts (if the property is in England, Wales, Northern Ireland, the Channel Islands or the Isle of Man) or concluding an offer (if the property is in Scotland).

The report covers the inside and outside of the building, the services and the site and includes:

- details of the general condition and particular features of the property;
- condition ratings for elements of the structure of the building, the services and any garages and permanent outbuildings;
- particular points you should refer to your legal advisers;
- specific risks associated with the property;
- other relevant considerations – for example, the location, the local environment and the energy performance of the property (if this information is available).

Any defects that the surveyor considers do not need repairing or replacing, or any minor matters that do not affect the value of the property, are generally not included in the report.

If you have a particular requirement that you would like the surveyor to consider, you should discuss this with the surveyor before they provide you with the service.

The surveyor may be prepared to arrange extra services but these will probably need a separate contract.

The main features of the RICS HomeBuyer Service are compared below with the features of a building survey.

|                  | <b>RICS HomeBuyer Service</b>   | <b>Building survey</b>  |
|------------------|---|---|
| Type of property | Traditional houses, flats, bungalows and so on, in apparently reasonable condition  | Any residential or other property, in any condition   |
| Type of service  | A shorter, less detailed report in a standard format  | A detailed report that is tailored to suit your needs   |
| Aims of service  | To help you: <ul style="list-style-type: none"> <li>■ make a reasoned and informed decision on whether to go ahead with buying the property;</li> <li>■ make an informed decision on what is a reasonable price to pay for the property;</li> <li>■ take account of any repairs or replacements the property needs; and</li> <li>■ consider what other advice you need to take before exchanging contracts</li> </ul> | To give you: <ul style="list-style-type: none"> <li>■ a detailed assessment of the condition and construction of the property; and</li> <li>■ technical advice on any problems and work needed to put them right</li> </ul> |
| Special features | Provides condition ratings for elements of the building, services and any garages and permanent outbuildings  | Provides full details of the property's construction, materials, uses, defects, and need for future maintenance   |
| Valuation        | Included as part of the RICS HomeBuyer Service  | May be provided as an agreed extra  |
| Form of report   | RICS HomeBuyer Report which is a compact, standard format   | In the surveyor's own format and usually longer, more detailed and technical than the RICS HomeBuyer Report   |



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