



## Why have a survey?

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The rule for buyers of property is 'let the buyer beware'. This means that, if you are buying, you should ensure that you're satisfied with regard to all matters relating to the purchase, including that the property is structurally sound, before committing to the transaction.

The commitment is 'exchange of contracts'. Once exchange has taken place you will no longer have the right to withdraw from the transaction because of a defect in the property. Nor indeed will you have any remedy against the seller, once you have completed your purchase of the property.

In addition, the survey might reveal matters which need further investigation or give grounds for negotiation on the purchase price. These matters must be dealt with before contracts are exchanged.

A buyer should consider appointing their own surveyor to carry out a survey report on the property as soon as possible and certainly before exchange of contracts.

### **Mortgage Valuation**

Any lender will need an independent valuation to be carried out and will require the buyer to pay for this. This is for the benefit of the lender only and is not a survey. It enables the lender to establish whether the property being purchased provides adequate security for the proposed loan. The inspection required for the purposes of a valuation report is substantially less than that required for the purposes of a survey. There may be defects in the property, not revealed by the inspection carried out by the valuer, and there may be omissions or inaccuracies in the report which do not matter to your lender but which matter to you, as a prospective buyer.

### **Surveys**

The Royal Institution of Chartered Surveyors (RICS) offers buyers (and sellers) a choice of three services. Each one is tailored to clients' particular requirements and circumstances depending on the type of property concerned. For more information please click [rics.org/consumerguides](https://www.rics.org/consumerguides).

### **Home Buyers Survey & Valuation Report ('HBR')**

This is a survey based on a set RICS form and seeks to focus on urgent matters needing attention. It is usually suitable for property in reasonable condition and of under 150 years old. This type of survey will provide information about the general condition of the property, its market value and any factors likely to materially affect this. The surveyor will look at the property as they find it, but they are not expected, for instance, to be aware of things that are hidden beneath carpets, under furniture or in a cluttered loft. Whilst such a survey may well provide adequate information on the majority of properties, it will still not necessarily provide all the information that a buyer might need about the state and condition of the property.

### **Building (or Full Structural) Survey ('BS')**

This survey should provide a detailed report based on a comprehensive inspection and examines all accessible parts of the property. It can be tailored to your needs, as agreed with the surveyor. The surveyor can be asked to have specific areas included, to cover any particular concerns about the building. It is generally used in the following types of purchase - when buying higher value properties, listed property, older properties (i.e. more than 40 years old), properties in need of repair, properties that have been altered or extended structurally, newer properties to be altered or extended, properties which are not of conventional brick and mortar construction or properties in proximity to features which might cause subsidence or other structural problems. Buyers need to bear in mind that the expense of such a survey could well be preferable to discovering that even more expensive structural repairs are needed once the purchase has been made.

Where the property is a flat or is structurally attached to neighbouring property, a full survey is desirable. The structural soundness of the property being bought is dependent on the soundness of the neighbouring property also, and the surveyor must therefore be instructed to inspect the adjoining property (if possible) as well as the property actually being purchased.

### ***A Condition Report***

This is designed to fill the gap between the lender's mortgage valuation and the more costly types of survey outlined above. It should only be used on properties of traditional construction and in reasonable condition. The inspection only covers the main building elements - walls, roof, floors etc - and makes comments regarding the services, but does not include any specialist inspections or testing. The report will flag up (using red and amber 'traffic lights') defects that are either serious and/or need to be repaired, replaced or investigated urgently, or that need repairing or replacing but are not considered to be either serious or urgent. A green 'traffic light' will indicate where no repair is currently needed. It does not provide any comment as to the possible cause/s of the defects and will not offer any recommendations for repairs that may be required.

The report is not intended to give any advice beyond that which the other surveys do, nor does it include an opinion of valuation which is currently a standard part of the HBR service. The minimalist content of the report means that it can cost less than the HBR or BS, although the choice of which survey to have should not be down to cost alone.

For more information on surveys please contact Rebecca Stuart at [Rebecca.Stuart@wards.uk.com](mailto:Rebecca.Stuart@wards.uk.com)

*This guide is not intended to be definitive or to act as a substitute for legal advice.*