

THE RICS/ISVA HOMEBUYER SURVEY & VALUATION

Description of the HOMEBUYER Service

A The Service

- A1** The HOMEBUYER Service comprises:
- an Inspection of the Property (Section B below)
 - a concise Report based on the Inspection (Section C)
 - the Valuation, which is part of the Report (Section D)
- A2** The Surveyor's main objective in the HOMEBUYER Service is to give Clients considering buying a particular Property the professional advice which will assist them:
- to make a reasoned and informed judgement on whether or not to proceed with the purchase
 - to assess whether or not the Property is a reasonable purchase at the agreed price
 - to be clear what decisions and actions should be taken before contracts are exchanged.
- A3** The HOMEBUYER Service therefore covers the general condition of the Property and particular features which affect its present value and may affect its future resale. The Report focuses on what the Surveyor judges to be urgent or significant matters. *Significant matters are those which, typically, in negotiations over price would be reflected in the amount finally agreed.*

B The Inspection

- B1** The Inspection is a general surface examination of those parts of the Property which are accessible: in other words, *visible and readily available for examination from ground and floor levels, without risk of causing damage to the Property or injury to the Surveyor.* Due care is therefore exercised throughout the Inspection regarding safety, practicality and the constraints of being a visitor to the Property (which may be occupied). So furniture, floor coverings and other contents are not moved or lifted; and no part is forced or laid open to make it accessible.
- B2** The services are inspected (except, in the case of flats, for drainage, lifts and security systems), but the Surveyor does not test or assess the efficiency of electrical, gas, plumbing, heating or drainage installations, or compliance with current regulations, or the internal condition of any chimney, boiler or other flue. Also, the Surveyor does not research the presence (or possible consequences) of contamination by any harmful substance. However, if a problem is suspected in any of these areas, advice is given on what action should be taken.
- B3** Where necessary, parts of the Inspection are made from adjoining public property. Such equipment as a damp meter, binoculars and torch may be used. A ladder is used for hatches and also for flat roofs not more than three metres above ground level. Leisure facilities and non-permanent outbuildings (such as pools and timber sheds) are noted but not examined. In the case of flats, exterior surfaces of the building containing the Property, as well as its access areas, are examined in order to assess their general condition; roof spaces are inspected if there is a hatch within the flat.

HOMEBUYER Survey & Valuation

- Property Type:** Conventional houses, flats, bungalows etc in apparently reasonable condition and of a size and age that does not warrant a more detailed report.
- Type of service:** Economy package in standard format.
- Objects of service:** To assist clients in making informed judgements on whether to proceed with a purchase and at what price. Also to assess urgent/significant matters before exchange of contracts.
- Other features/format:** Focuses on urgent and significant matters only. Provides a valuation. Compact and fixed format.

C The Report

- C1** The Report provides the Surveyor's opinion of those matters which are urgent or significant and need action or evaluation by the Client before contracts are exchanged. It includes some or all of the following:
- *urgent repairs* (e.g. gas leak; defective chimney stacks) – for which the Client should obtain quotations where appropriate
 - *significant matters requiring further investigation* where essential (e.g. suspected subsidence) – for which the Client should obtain (and may have to pay for) reports and quotations from suitable contractors.
 - *significant but not urgent repairs and renewals* (e.g. new covering for flat roof before long)
 - *other significant considerations* (e.g. some potential source of inconvenience) which the Surveyor wishes to draw to the attention of the Client
 - *legal matters* (e.g. a possible right of way) which the Client should instruct the Legal Advisers to include in their inquiries.
- C2** Matters assessed as not urgent or not significant are outside the scope of the HOMEBUYER Service and are generally not reported; however, other matters (such as safety) are reported where the Surveyor judges this to be helpful and constructive. If a part or area normally examined is found to be not accessible during the Inspection, this is reported; if a problem is suspected, advice is given on what action should be taken.
- C3** The Report is in a standard format arranged in the following sequence: *Introduction & Overall Opinion; The Property & Location; The Building; The Services & Site; Legal & Other Matters; Summary; Valuation.* In the case of leaseholds, the Report is accompanied by a standard appendix called *Leasehold Properties.*

D The Valuation and Reinstatement Cost

- D1** The last section of the Report contains the Surveyor's opinion both of the Market Value of the Property and of the Reinstatement Cost, as defined below.
- D2** "Market Value" is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.. In arriving at the opinion of the Market Value, the Surveyor also makes various standard assumptions covering, for example: vacant possession; tenure and other legal considerations; contamination and hazardous materials; the condition of uninspected parts; the right to use mains services; and the exclusion of curtains, carpets, etc., from the valuation. (If required, details are available from the Surveyor.) Any additional assumption, or any found not to apply, is reported.
- D3** "Reinstatement Cost" is an estimate for insurance purposes of the current cost of rebuilding the Property in its present form, unless otherwise stated. This includes the cost of rebuilding the garage and permanent outbuildings, site clearance and professional fees, but excludes VAT (except on fees).

BUILDING SURVEY

- Any residential or other property in any condition.
- Custom made to suit client's individual requirements.
- To provide clients with: **1)** assessment of construction and condition of a property. **2)** technical advice on problems and remedial works.
- Details of construction, materials and defects. Valuation is often an agreed extra. Much longer format in surveyor's own format.