

FERBRACHE &
FARRELL

Home Survey

which one
to have
and why?

Purchasing a home is not only one of the most exciting things you will ever do, but also one of the most significant financial commitments you will ever make.

It is therefore extremely important that you choose the right survey to highlight any potential problems before you sign up and legally commit to your purchase.

What is a survey?

A survey report is an inspection report which is carried out by a qualified surveyor. The report is designed to inform the purchaser of any potential problems with the property.

But why do I need a survey?

To some purchasers, a survey may seem like an additional and unnecessary expense bolted onto the already sometimes costly house buying process. In our view however, this is very much 'money well spent'. This is because a building survey identifies any significant physical problems with the property that could prove to be very costly to fix.

Surveys pick up all sorts of issues; there may be minor problems identified, which may not necessarily be deal-breakers or major problems which may put you off buying the house all together. Whatever the outcome is going to be, you certainly deserve to have an opportunity of making that informed decision.

It is worth pointing out that there are sometimes serious misconceptions amongst purchasers about mortgage valuations. Some purchasers believe that a sole mortgage valuation ensures that they are adequately protected. This would not be correct. As a mortgage valuation is carried out for the sole use, benefit and protection of the lender, it is predominantly designed to give the lender an idea of the property value, and thus very often it is limited in its scope and unlikely to uncover all defects and deficiencies.

For those reasons, buyers are strongly advised to commission a proper survey.

What are my survey choices?

Broadly speaking, the survey choices can be broken down into:

- 1 Condition Report** – this is a traffic light-style indication report which classifies defects from the most serious requiring immediate attention (red) to those less concerning (amber) and acceptable (green). This should be satisfactory for modern type constructions and properties that are in an overall good state of repair and condition and have been looked after. Generally, this is the least costly option but also the least detailed.
- 2 Home Buyer Report** – this is commonly known as the 'middle ground' survey, as it is more comprehensive than the Condition Report, but not as detailed as the full Structural Survey. The key factor here is that this is a visual inspection only, so whilst it is thorough, there are no actual samples taken or in-depth tests done i.e., this is a non-intrusive report where no carpets will be lifted to check what's underneath, for example

It is worth noting that this report can be commissioned with or without a valuation and is most suitable for typical and conventional homes which generally appear to be in a reasonable state and condition.

- 3 Structural Survey** – this is the most comprehensive and detailed evaluation report of a property's condition and each of its individual elements. Your surveyor will actively search for any structural defects and deficiencies, can advise on remedial works, timings and even obtain and provide estimates.

This type of survey is more bespoke and can be catered to your particular needs or specific questions you may have. It would be recommended to have this type of survey when buying a listed property, an old house, a rundown property or a property with some unusual features or unusual type of construction etc.

Do I need a survey when purchasing a new build property?

When it comes to new build properties, naturally you would expect the condition of the property to be perfect since it is brand new. But this doesn't mean you should try and skimp on the survey as this could end up costing you more in the long run to put things right should any issues arise.

Furthermore, as a future new build homeowner, you should also consider a 'snag report' where you should list all the minor defects and 'snags' and address these with the builder/developer before completion. You do not have to do it yourself; you can hire a surveyor to undertake a 'snagging report' for you. The purpose of a 'snagging inspection' is to identify any issues of workmanship, work which has not been completed to the agreed standard or specification and/or any potential issues which are not compliant with the relevant building regulations.

In addition to the above, if there is a mortgage finance involved in your purchase, your lender will need to be satisfied on the valuation of the property, so an inspection by the lender's valuer will still need to take place. On new build properties it is called "re-inspection" when the valuer goes in after the property is physically complete and has been signed off by building control / is fit for habitation.

Your new build home should also come with the benefit of a warranty (in England, this is generally 10 years in duration) which should offer you an additional peace of mind.

Received an unsatisfactory survey report?

Buying a house can be an emotional process. By the time you have received your survey report, you might well have set your heart on the house, and you may have even started 'to window shop' for furnishings and contents. Therefore, receiving an unsatisfactory survey report could be upsetting and a disappointment, not least because it has to be paid for in advance.

In such circumstances, what you generally would be advised to do is:

- Talk it through with your surveyor, as often things are not as bad as they seem. Some surveys are more thorough than others. Most rank the problems in order of severity and urgency. Your surveyor will help you and provide more guidance so that you can concentrate on the most pressing issues.
- Remember, the main point of the survey is to actually tell you the 'bad' things and to draw your attention to the physical defects and deficiencies so that you can have an opportunity of making a fully informed decision before proceeding. The survey findings will also provide you with a chance to budget accordingly (if you were to take on the work). Its primary object is not however to put you off buying altogether.
- Obtain estimates from reputable local contractors for the recommended remedial works (get two or three quote comparisons as the prices may vary). This will put you in a good position with the Vendor where you may be able to negotiate the sale price, or request that the work is done at the Vendor's expense before you proceed.

Please remember though, that when it comes to negotiating a discount, there are no prescribed rules. It really depends on how much the Vendor wants (or needs to sell), how much both parties are willing to compromise, and it all comes down to your skills of persuasion. If you are buying in a market where

Summary

You do not need to commission a survey on the house you are buying. However, a survey can help you avoid very expensive and unwanted surprises. Given the hundreds of thousands of pounds it costs to buy a house, a survey is a wise 'investment' and will provide you with a much-needed peace of mind and reassurance from an independent expert.



FERBRACHE & FARRELL

Please feel free to contact us
to see how we can best help you.



Lucy Beere
Conveyancing Administrator
+44 (0) 1481 815069
lucy.beere@ferbrachefarrell.com

Hannah Damant
Junior Paralegal UK Real Estate
+44 (0) 1481 815067
hannah.damant@ferbrachefarrell.com

Anna Douglass
Solicitor & Counsel
+44 (0) 1481 815055
anna.douglass@ferbrachefarrell.com

Robin Gist
Advocate & Partner
+44 (0) 1481 815070
robin.gist@ferbrachefarrell.com

Alastair Hargreaves
Advocate & Partner
+44 (0) 1481 815052
alastair.hargreaves@ferbrachefarrell.com

Kirsty Hart
Conveyancer
+44 (0) 1481 815065
kirsty.hart@ferbrachefarrell.com

Alana Marquis-Farncombe
Senior Conveyancer
+44 (0) 1481 815051
alana.marquis-farncombe@ferbrachefarrell.com

Stuart Nash
Senior Associate
+44 (0) 1481 815077
stuart.nash@ferbrachefarrell.com

Caren Vidamour
Executive Assistant
+44 (0) 1481 815056
caren.vidamour@ferbrachefarrell.com

Ferbrache & Farrell LLP is regulated by the SRA.

This firm's SRA number is 822659 and here is a link
<https://www.sra.org.uk/consumers/register/organisation/?sraNumber=822659>