

ISVA Consumer Guide - Survey and Valuations

Do I need an independent Survey?

It is often said that a property purchase is the largest single financial commitment you will make in your lifetime. It therefore makes sense to establish whether the property that you would like to buy is affected by defects or other issues that might affect your decision - or might justify renegotiation of the agreed purchase price. Forewarned is forearmed and of course, it is best to obtain good advice before making a legal commitment to the purchase, in order to avoid any unexpected surprises later.

Will the Mortgage Valuation Suffice?

If you are buying a home with the assistance of a mortgage, the lender will probably commission a valuation report, to confirm whether the property provides acceptable security for the loan. Although it is often paid for by the purchaser, the valuation is intended solely to satisfy the requirements of the lender. It is not a survey - and you should not rely on it, when deciding whether or not to proceed with the purchase.

Before exchanging contracts, therefore, you should obtain independent, specialist advice from a Chartered Surveyor.

So what are the Options?

Chartered Surveyors are able to offer three levels of survey report, to help you decide whether or not you should proceed with the purchase. They are:

1. **A Condition Survey (RICS Survey Level One)**
2. **An Intermediate Survey (RICS Survey Level Two)**
3. **A Building Survey (RICS Survey Level Three)**

1. The Condition Survey.

The Condition survey is a Survey Level One service and is a concise report on the condition of a property - but it will not include advice on any necessary repairs or future maintenance issues. In view of this, most members of the Independent Surveyors' and Valuers' Association will not offer this service and will recommend that you commission a more detailed report.

2. The Intermediate Survey.

The ISVA HomeSurvey is broadly equivalent to RICS Survey Level Two and is available exclusively from members of the Independent Surveyors' and Valuers' Association. (Other types of Level Two survey are available, however.)

The ISVA HomeSurvey report has been designed by the Independent Surveyors' and Valuers Association to include:-

- Comments on the internal and external condition of the property (including an overview of the service installations).



- Comments on any major defects or other shortcomings likely to affect your decision to purchase the property.
- Comments on the overall condition of any permanent outbuildings and in relation to the site.
- Any particular points or issues that you should refer to your legal adviser.
- The option to include the estimated rebuilding (or "reinstatement") cost of the property for buildings insurance purposes; if required by the client and if the surveyor agrees to provide this service.

The information is provided in a straightforward format, which is easy to read and understand. The report is based on a visual inspection of as much of the interior and exterior of the building as is reasonably and safely accessible. A full description of the service is given in the Terms of Engagement leaflet, which your surveyor will provide.

This type of report is suitable for most conventionally built residential properties, constructed since around 1900. Properties that are unusual, by virtue of their design or construction or those that are particularly large might require a more detailed report, such as a Building Survey. Your surveyor will advise you further in this respect, during the preliminary discussion.

3. The Building Survey

The Building Survey (formerly known as a Full Structural Survey) is a Survey Level Three service and is a detailed, comprehensive report on the condition of a building. It will describe the building in detail and provide advice on defects, remedial works and future maintenance requirements. The report is based on a comprehensive inspection and may often be tailored to your own specific requirements. You may, for example, opt to upgrade the survey to include additional reports such as an electrical report or a drainage test.

A Building Survey is suitable for all types of buildings but is almost certain to be needed if the property is very old, Listed, is in need of extensive repairs or if it is not constructed using traditional building methods and materials.