

# Description of the RICS HomeBuyer Service

## The Service

The RICS HomeBuyer Service includes:

- an **inspection** of the property (see 'The inspection' below);
- a **report** based on the inspection (see 'The report' below); and
- a **valuation**, which is part of the report (see 'The valuation' below).

The surveyor who provides the RICS HomeBuyer Service aims to give you professional advice to help you to:

- make a reasoned and informed decision on whether to go ahead with buying the property;
- take account of any repairs or replacements the property needs; and;
- consider what further advice you should take before exchanging contracts (if the property is in England, Wales, Northern Ireland, the Isle of Man or the Channel Islands) or concluding an offer (if the property is in Scotland).

## The inspection

The surveyor inspects the inside and outside of the main building and all permanent outbuildings, but does not force or open up the fabric. This means that they do not take up carpets, floor coverings or floorboards, move furniture, remove the contents of cupboards, remove secured panels or undo electrical fittings. If necessary, the surveyor will carry out parts of the inspection when standing at ground level from public property next door.

The surveyor may use equipment such as a damp-meter, binoculars and torch, and may use a ladder for flat roofs and for hatches no more than three metres above level ground (outside) or floor surfaces (inside) if it is safe to do so.

## Services to the property

Services are often hidden within the construction of the property and, as a result, only the visible parts of the available services can be inspected. The surveyor will not carry out specialist tests, or test or assess the efficiency of electrical, gas, plumbing, heating or drainage installations (or whether they meet current regulations) or the inside condition of any chimney, boiler or other flue.

## Outside the property

The surveyor inspects the condition of boundary walls, fences, permanent outbuildings and areas in common (shared) use. To inspect these areas, the surveyor walks around the grounds and any neighbouring public property.

Buildings with swimming pools and sports facilities are also treated as permanent outbuildings, but the surveyor will not report on the leisure facilities, such as the pool itself and its equipment, landscaping and other facilities (for example, tennis courts and temporary outbuildings).

## Flats

When inspecting flats, the surveyor will assess the general condition of outside surfaces of the building, as well as its access areas (shared hallways, staircases and so on). The surveyor will inspect roof spaces only if they can gain access to them from within the property. The surveyor will not inspect drains, lifts, fire alarms and security systems.

## Dangerous materials, contamination and environmental issues

The surveyor will not make any enquiries about contamination or other environmental dangers. However, if they suspect a problem, they should recommend a further investigation.

The surveyor may assume that no harmful or dangerous materials have been used in the construction, and does not have a duty to justify making this assumption. However, if the inspection shows that these materials have been used, the surveyor must report this and ask for further instructions.

The surveyor will not carry out an asbestos inspection, and will not act as an asbestos inspector when inspecting properties that may fall within the Control of Asbestos Regulations 2006. With flats, the surveyor will assume that there is a dutyholder (as defined in the regulations), and that an asbestos register and an effective management plan is in place which does not need any immediate payment or present a significant risk to health. The surveyor will not consult the dutyholder.

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## The report

The surveyor produces a report of their inspection for you to use, but cannot accept any liability if it is used by anyone else. If you decide not to act on the advice in the report, you do this at your own risk. The report focuses on matters that, in the surveyor's opinion, may affect the value of the property if they are not dealt with.

The report is in a standard format and includes the following sections.

- A Introduction to the report
- B About the inspection
- C Summary of the condition ratings
- D About the property
- E Outside of the property
- F Inside of the property
- G Services
- H Grounds (including shared areas for flats)
- I Issues for your legal advisers
- J Risks
- K Valuation
- L Surveyor's declaration

## What to do now

Description of the HomeBuyer Service

House diagram

The surveyor gives condition ratings to the main parts (or 'elements') of the main building, garage, and some outside elements. The condition ratings are described as follows.

### Condition rating 1

- No repair is currently needed. The property must be maintained in the normal way.

### Condition rating 2

- Defects that need repairing or replacing but are not considered to be either serious or urgent. The property must be maintained in the normal way.

### Condition rating 3

- Defects that are serious and/or need to be repaired, replaced or investigated urgently

### NI Not inspected

The surveyor will note in their report if they were not able to check any parts of the property that the inspection would normally cover. If the surveyor is concerned about these parts, the report tells you about any further investigations that are needed.

The surveyor will not report on the cost of any work to put right defects or make recommendations on how these repairs should be carried out. However, there is general advice in the 'What to do now' section at the end of the report.

If, during the inspection, the surveyor identifies issues that your legal advisers may need to investigate further, the surveyor will refer to these in the report. The surveyor will state the Energy Efficiency Rating and Environmental Impact Rating as stated on the Energy Performance Certificate on the home, if available. The surveyor will not specifically comment on any legal documents or any documents that may be included in a Home Information Pack or Home Report.

The surveyor reports on property-related risks or hazards that will include defects that need repairing or replacing, as well as issues that have existed for a long time and cannot reasonably be changed but may present a health and safety risk or hazard.

If the property is leasehold, the surveyor will give you general advice and details of questions you should ask your legal advisers.

## The valuation

The surveyor gives their opinion on both the market value of the property and the reinstatement cost at the time of their inspection. (See the 'Reinstatement cost' section opposite.)

### Market value

'Market value' is the estimated amount a property should exchange for, on the date of the valuation, between a willing buyer and a willing seller, in an arm's length transaction after the property was properly marketed wherein the parties had each acted knowledgeably, prudently and without compulsion.

When deciding on the market value, the surveyor also makes the following assumptions.

### The materials, construction, services, fixtures and fittings, and so on

The surveyor will assume that:

- an inspection of those parts which have not yet been inspected would not identify significant defects or cause the surveyor to alter their valuation;
- no dangerous or damaging materials or building techniques have been used in the property;
- there is no contamination in or from the ground, and the ground has not been used as landfill;
- the property is connected to, and has the right to use, the mains services mentioned in the report; and
- the valuation does not take account of any furnishings, removable fittings and sales incentives of any description.

# Description of the RICS HomeBuyer Service

## Legal matters

The surveyor will assume that:

- the property is sold with 'vacant possession' (your legal adviser can give you more information on this term);
- the condition of the property, or the purpose that the property is, or will be, used for does not break any laws;
- no particularly troublesome or unusual restrictions apply to the property, that the property is not affected by problems which would be revealed by the usual legal enquiries, and that you have applied for and acted in line with all necessary planning permission and Building Regulations permission (including permission to make alterations); and
- the property has the right to use the mains services on normal terms, and that the sewers, mains services and roads giving access to the property have been 'adopted' (that is, they are under local authority, not private, control).

The surveyor will report any more assumptions they have made or found not to apply.

If the property is leasehold, the general advice referred to above will explain what other assumptions the surveyor has made.

## Reinstatement cost

'Reinstatement cost' is the cost of rebuilding an average home of the type and style inspected to its existing standard using modern materials and techniques and in line with current Building Regulations and other legal requirements.

This includes the cost of rebuilding any garage, boundary or retaining walls and permanent outbuildings, and clearing the site. It also includes professional fees, but does not include VAT (except on fees).

The reinstatement cost will help you decide on the amount of buildings insurance cover you will need for the property.

## Standard terms of engagement

- 1 The service - the surveyor will provide the standard RICS HomeBuyer Service ('the service') described in the 'Description of the RICS HomeBuyer Service', unless you and the surveyor agree in writing before the inspection that the surveyor will give you additional advice.
- 2 The surveyor providing the service will be a full Member or Fellow of the Royal Institution of Chartered Surveyors, who has the skills, knowledge and experience to survey, value and report on the property.
- 3 Before the inspection - you will tell the surveyor if there is already an agreed, or proposed, price for the property, and if you have any particular concerns (such as plans for extension) about the property.
- 4 Terms of payment - you agree to pay the surveyor's fee and any other charges agreed in writing.
- 5 Cancelling this contract - you are entitled to cancel this contract by giving notice to the surveyor's office at any time before the day of the inspection. The surveyor will not provide the service (and will report this to you as soon as possible) if, after arriving at the property, they decide that:
  - a they lack enough specialist knowledge of the method of construction used to build the property; or
  - b it would be in your best interests to have a building survey and a valuation, rather than the RICS HomeBuyer Service.If you cancel this contract, the surveyor will refund any money you have paid for the service, except for any reasonable expenses. If the surveyor cancels this contract, they will explain the reason to you.
- 6 Liability - the report is provided for your use, and the surveyor cannot accept responsibility if it used by anyone else.

## Complaints handling procedure

The surveyor will have a complaints handling procedure and will give you a copy if you ask.

**Note: These terms form part of the contract between you and the surveyor.**

# 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.

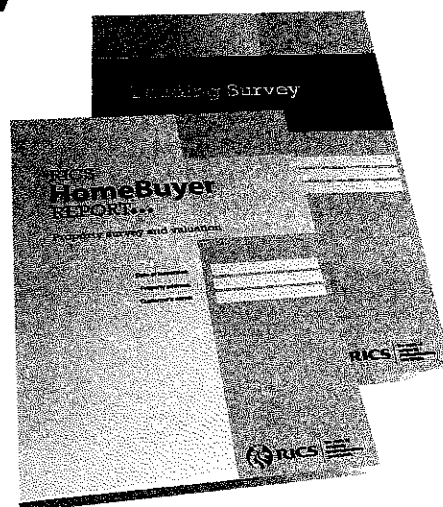
In Scotland this type of survey is rarely needed, partly because of the speed at which house purchases normally take place but also because buyers will receive a survey of the property, known as the 'single survey', as part of the Home Report. Even in Scotland, however, you may choose to have your own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



the mark of  
property  
professionalism  
worldwide