

## A The Service

**A1** The HOME BUYER 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 objectives in the HOME BUYER Service are 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 at what price it would be reasonable to purchase the Property;
- to be clear what decisions and actions should be taken before contracts are exchanged; in Scotland to be clear about what decisions and action should be taken before an offer is concluded.

**A3** The HOME BUYER 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 matters which the Surveyor judges to be urgent and/or significant.

*Significant matters are defined as matters which could reasonably be expected in negotiations over price to 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. Accessible is defined as, *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. Equipment such as a damp-

meter, binoculars and torch may be used. A ladder is used for hatches and for flat roofs not more than three metres above ground level. Leisure facilities and non-permanent outbuildings (e.g. pools and timber sheds) are noted but not examined.

**FLATS:** 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. In Scotland, communal areas within the building are examined and accessible roof spaces are inspected.

**B4** The Surveyor will not carry out an asbestos inspection, and will not be acting as an asbestos inspector in completing an inspection of properties that may fall within the *Control of Asbestos in the Workplace Regulations 2002*. In the case of flats it will be assumed that there is a dutyholder, as defined in the Regulations, and that a Register of Asbestos and effective Management Plan is in place, which does not require any immediate expenditure, or pose a significant risk to health. No enquiry of the dutyholder will be made.

## C The Report

**C1** The Report provides the Surveyor's opinion of those matters which are urgent and/or significant and need action or evaluation by the Client before contracts are exchanged or an offer to purchase is made. The Report includes the following:

- *urgent repairs* (e.g. gas leak; defective chimney stacks) - for which the Client should take the action advised where appropriate;
- *significant matters requiring further investigation* (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. a potential source of inconvenience) which the Surveyor wishes to draw to the attention of the Client;
- *matters identified by Inspection* (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 HOME BUYER Service and are generally not reported. However, other matters which may be of concern are reported where the Surveyor judges this to be helpful and constructive. If a part or area normally examined is found to be inaccessible during the Inspection, this is reported; if a problem is suspected, advice is given on what action should be taken.

(Continued overleaf)

## Description of HOMEBUYER Service - continued

- 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 annex 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 needed the Surveyor can provide details.) Any additional assumption, or any found not to apply, is reported

**FLATS:** In the case of flats, the following further assumptions are made:

- that there are rights of access and exit over all communal roadways, corridors, stairways, etc. and to use the communal grounds, parking areas and other facilities;
  - that there are no particularly troublesome or unusual legal restrictions;
  - that there is no current dispute between the occupiers of the flats, or any outstanding claims or lawsuits; and
  - that the costs of repairs to the building are shared among the tenants (in Scotland the co-proprietors) on an equitable basis
- 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, boundary/retaining wall and permanent outbuildings, site clearance and professional fees, but excludes VAT (except on fees).

## Standard Terms of Engagement

- 1 **The Service.** The standard HOMEBUYER Survey & Valuation Service ('the Service') laid out in the preceding *Description of the HOMEBUYER Service* ('the Description') applies unless an Addition to the Service is agreed in writing before the Inspection. (An example of such an Addition is reporting upon parts which are not ordinarily inspected, such as the opening of all windows.)
- 2 **The Surveyor** who provides the Service will be a Member of the Royal Institution of Chartered Surveyors, who is competent to survey, value and report upon the Property which is the subject of these Terms.
- 3 **Before the Inspection.** The Client will inform the Surveyor if there is already an agreed, or proposed price for the Property; and if there are any particular concerns (such as plans for extension) which the Client may have about the Property.
- 4 **Terms of payment.** The Client agrees to pay the fee and any other charges agreed in writing.
- 5 **Cancellation.** The Client will be entitled to cancel this contract by notifying the Surveyor's office at any time before the day of the Inspection. The Surveyor will not proceed with the provision of the Service (and will so report promptly to the Client) if, after arriving at the Property, he or she concludes:
  - a) that it is of a type of construction of which he or she has insufficient specialist knowledge to be able to provide the Service satisfactorily; or
  - b) that it would be in the typical Client's best interests to be provided with a Building Survey, plus Valuation, rather than the HOMEBUYER Service.In case of cancellation, the Surveyor will refund any money paid by the Client for the Service, except for expenses reasonably incurred. In the case of cancellation by the Surveyor, the reason will be explained to the Client.
- 6 **Liability.** The Report provided is solely for the use of the Client and the Client's professional advisers, and no liability to anyone else is accepted. It may not be provided to anyone else.
- 7 **Complaints Handling Procedure.** A copy of the Surveyor's complaints handling procedure is available on request

**Please Note: These Standard Terms of Engagement form part of the Contract between the Surveyor and Client.**