



## **“House Survey – Do I Really Need One?”**

Technically no, but you’d be foolish not to on so many levels. But I would say that wouldn’t I because I have a vested interest – I’m a Chartered Building Surveyor at A J Hodge Associates and carry out building surveys as part of my business.

Let me explain my reasoning so that you can make up your own mind:-

Buying or leasing a property, whether residential, industrial or commercial, is a major financial step for you and your company to take and it is most important that every precaution is taken before you make the decision. A survey is one way that you can ensure that the building you are proposing to buy or lease is all that you think it is. All buildings, domestic or commercial, will suffer defects at some stage or other and it is important that you are fully aware of the ramifications of rectifying any problems and that you will not have to face unexpected costs in complying with the terms of your lease or simply preserving your building.

The purchase of most buildings will involve a valuation on behalf of your bank or building society. This is to satisfy the mortgagee (lender) that the amount of the loan is secured in the value of the property. It is dangerous to rely entirely upon this type of inspection. Even though the report may be disclosed to you, there may be defects which do not affect the mortgage or devalue the property to the extent that the security is prejudiced. Therefore your own private survey is of the utmost importance. For example; the bank probably won’t be worried if the heating isn’t working properly because it doesn’t affect the value and they don’t have to live in the house! But to you it’s important. If the boiler needs replacing or the system needs an upgrade it could cost thousands of pounds which the valuation report won’t necessarily tell you about. Similarly, if there’s a minor roof leak it might not be noticed by the valuer, or might not be significant enough to affect the value but you can be assured that it will cost money for you to resolve. Wouldn’t it be better to know these issues before you buy the house, so that you know what you’re letting yourself in for.

A large proportion of purchasers don’t have a survey carried out and for many they have no problems, but for some they find that the house is not all that it seems to be and becomes the proverbial “money pit”. What is likely to be the biggest purchase of your life? Answer – Your house, and not only that but it’s likely to cost you hundreds of thousands of pounds in today’s market. In the scheme of things, is it worth saving a few hundred pounds on a survey to be without an insurance policy on this level of outlay.

Some purchasers may have a good grasp of construction but many do not and would you be able to firstly notice a hairline crack on a 10 minute viewing, or more importantly determine whether it is significant or not, or notice whether a loft conversion has been constructed to the required standard. Even if these areas aren’t important to you, will a future purchaser feel the same way? To be forewarned is to be forearmed!



All houses, even new ones, have defects and ultimately to know how much a defect will cost to rectify, or what damage it is causing to a building requires a technical knowledge and years of experience. If you feel comfortable in your knowledge don't get a survey, but if you don't, a survey if carried out by an appropriate person, will give you an in depth assessment of a property upon which to base your decision. If carried out by a professional it will also be backed by their professional indemnity insurance so that if anything significant has been missed there may be scope to make a claim against the policy. Hence many people commission a survey as an insurance policy whether they're interested in the report or not. If you buy a house with pre-existing defects that turn out to be costly to repair you may find that your buildings insurer is reluctant to pay out and leaves you with a hefty bill. A survey should give you added assurances in this regard.

It doesn't happen very often, but I've seen houses that a purchaser was ready to exchange contracts on, only for a survey to indicate that severe dry rot was present, or in another case I've seen a house actually built over the head of a mine shaft! The signs of movement in the house were obvious to me but to the purchaser with 'rose tinted' glasses the distortion was passed of as 'it's an old house.' The purchase didn't go through, but if it had it could have been a very costly and stressful mistake indeed.

Of course a survey doesn't just point out defects to persuade you not to buy a house. A surveyor knows that you want to buy the property, otherwise you wouldn't have put the offer in, in the first place but their job is to point out the defects, the potential consequences and cost to enable you to make an informed judgement. The presence of defects will not necessarily break a deal but only the purchaser can decide what level of risk is acceptable to them. This risk can only be assessed on the back of accurate analytical advice.

Often a survey can be used as a tool to obtain a reduction on the purchase price in the right market and often this reduction can dwarf the cost of the survey. The major caveat to this, is that the survey needs to be carried out by a recognised professional to hold any weight and should be a fully detailed document not just a basic survey. With a survey you get what you pay for. Have the job done properly and you will pay a little more, but you'll have a tool to help in many ways. Scrimp on cost and you'll have a document that may not be worth the paper that it's written on.