

What type of valuation should I have?

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Basic Valuations

The Basic Valuation is for the benefit of the mortgage lender alone, and merely confirms that the property is suitable for mortgage purposes, and provides a general description of the property and its condition, together with an indication of the market valuation and insurance value. Lenders will usually require the valuer to support their declared valuation by comparing recent transactions of similar types of property. The Basic Valuation does not give any form of redress to the purchaser if subsequent problems arose.

Lenders will require a minimum of a Basic Valuation to be undertaken when purchasing or remortgaging a property. Because the Basic Valuation only provides minimum information, the cost is cheaper than the other types of valuation.

Home Buyers Reports

The Home Buyers Report is considerably more comprehensive than the Basic Valuation. The valuer this time acts for you, and therefore it will provide the purchaser with some form of comeback in the event that the surveyor proved to be negligent in their reporting. However, the scope of the Home Buyers Report will generally be to point out major and urgent faults that may have a significant effect on the property so that the buyer has an opportunity to confront the vendor (seller) to either correct the fault, or to adjust the sale price to compensate for the works required.

The valuer will also point out any other surveys that they may consider necessary, for example a timber and damp report. It must be remembered that the survey will relate usually only to visible areas of the property, and it will point out any major structural defects. It is important to check the extent of the aspects to be examined within the valuer's contractual remit, and ensure this will be sufficient for your purposes.

The Home Buyers Report will also provide an estimate of the property's current market value, and will also address any issues that may require further investigation by your solicitor such as **rights of way to, or over the property.**



Because the Home Buyers Report is more detailed than the Basic Valuation, the cost is correspondingly higher, and the cost for an average property would probably be in the region of £400 - £500 plus VAT.

Building Survey (formerly known as the Full Structural Survey)

The Building Survey, or the Full Structural Survey as it is still often referred to as, provides the purchaser with the most comprehensive property report of all. It will generally list all faults, both major and minor, and will therefore give the prospective purchaser a clear indication as to any of the potential pitfalls that they may be entering into. In the event the surveyor has been negligent, as with the Home Buyers report, the purchaser has the protection of the right to redress against the surveyor.

Because the surveyor will undertake a very thorough and detailed inspection of all parts of the property, the cost of the Building Survey is the most expensive of all, and is likely to be at least 50% more expensive as a Home Buyers Report.

Why would I choose a Home Buyers Report instead of a Basic Valuation?

A Home Buyers Report, rather than a Basic Valuation would generally be considered more prudent because:

1. It is designed to offer advice on **significant and urgent repairs** that could affect the value at purchase and on future re-sale
2. It is designed to provide you with sufficient information for you to make an informed decision as to whether to proceed with the purchase of the property
3. It will give a carefully assessed value
4. It will clearly indicate what actions and decisions you should make prior to you making an offer to buy, although the Report will not usually cover minor items of disrepair
5. As the surveyor acts for you, you have the right to redress to sue for negligence in the event the surveyor has overlooked a fundamental property deficiency
6. The additional cost of the Home Buyers Report can be quite easily recouped if the surveyor is able to highlight a defect where it enables you to negotiate a price reduction to compensate for the required remedial work