MERIT ESTATES





Property address

1 Fictional Way, City, County, United Kingdom, XX1 1XX

Client's name

Mr A Sample

Inspection date

28/05/2022

Surveyor's RICS number 0060924





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About the inspection and report

This Home Survey – Level 2 (survey and valuation) service has been produced by a surveyor, who is a member of the RICS Valuer Registration scheme.

The surveyor has written this report for you to use. If you decide not to act on the advice in this report, you do this at your own risk.



About the inspection and report

As agreed, this report will contain the following:

- a physical inspection of the property (see 'The inspection' in section M) and
- a report based on the inspection (see 'The report' in section M).

About the report

We aim to give you professional advice to:

- make a reasoned and informed decision on whether 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 significant repairs or replacements the property needs; and
- consider what further advice you should take before committing to purchasing the property

Any extra services we provide that are not covered by the terms and conditions of this report must be covered by a separate contract.

About the inspection

- We only carry out a visual inspection. Also, we do not remove secured panels or undo electrical fittings.
- We inspect roofs, chimneys and other surfaces on the outside of the building from ground level and, if necessary, from neighbouring public property and with the help of binoculars.
- We inspect the roof structure from inside the roof space if there is access (although we do not move or lift insulation material, stored goods or other contents). We examine floor surfaces and under-floor spaces so far as there is safe access to these (although we do not move or lift furniture, floor coverings or other contents). We do not remove the contents of cupboards. We are not able to assess the condition of the inside of any chimney, boiler or other flues. Also, we do not remove secured panels or undo electrical fittings.
- We note in our report if we are not able to check any parts of the property that the inspection would normally cover. If we are concerned about these parts, the report will tell you about any further investigations that are needed.
- We do not report on the cost of any work to put right defects or make recommendations on how these repairs should be carried out. Some maintenance and repairs we suggest may be expensive.
- We inspect the inside and outside of the main building and all permanent outbuildings, but we do not force or open up the fabric of the building. We also inspect the parts of the electricity, gas/oil, water, heating and drainage services that can be seen, but we do not test them.
- To help describe the condition of the home, we give condition ratings to the main parts (the 'elements') of the building, garage and some parts outside. Some elements can be made up of several different parts.
- In the element boxes in sections D, E, F and G, we describe the part that has the worst condition rating first and then briefly outline the condition of the other parts. The condition ratings are described in section B of this report. The report covers matters that, in the surveyor's opinion, need to be dealt with or may affect the value of the property.



Please refer to your **Terms and Conditions** received on the **20th May 2022** for a full list of exclusions.



About the inspection

Surveyor's name				
Andrew Barton				
Surveyor's RICS number				
0060924				
Company name				
Merit Estates				
Date of the inspection	Report reference			
28th May 2022	1 Fictional Way - Sample			
Related party disclosure				
The Client and their Legal Advisors				
Full address and postcode of the property				
1 Fictional Way City County United Kingdom XX1 1XX				
Weather conditions when the inspection took place				
Overcast and dry				
Status of the property when the inspection to	ook place			
Occupied and fully furnished with floor covering	js in place.			





Overall opinion

This section provides our overall opinion of the property, and summarises the condition ratings of the different elements of the property. Individual elements of the property have been rated to indicate any defects, and have been grouped by the urgency of any required maintenance.

If an element is made up of a number of different parts (for example, a pitched roof to the main building and a flat roof to an extension), only the part in the worst condition is shown here.

Important note

To get a balanced impression of the property, we strongly recommend that you read all sections of the report, in particular section L, 'What to do now', and discuss this with us if required.

Condition ratings

Overall opinion of property

The surveyor has conducted a level 2 residential survey in accordance with the current RICS Practice Statements, as instructed. A summary of the identifiable material defects can be found within the main body. The surveyor has identified the following material defects that should cause the buyer to delay with the legal commitment until further investigations have taken place:

1. Wall tie survey advised

It is also the surveyor's professional opinion that the purchase price isn't in line with the current market values for this type of property in this area. The reader is encouraged to read the valuation section carefully for further detail.

The surveyor's opinion of general condition offers a summary of the following report. Further details should be found within the main body of the report. The client is entitled to a free follow-up call with the surveyor to discuss any contents herein that warrant further discussion. Any additional further advice is provided at the current charge out rate of £110 per hour plus VAT. The surveyor will not offer detailed costings for repairs but may offer verbal opinion of the cost of repair where he feels qualified to do so.

The HomeBuyer Report is not a detailed snagging report and no comment will be made with regards to any decorative items, nor are any appliances tested. The report identifies material defects and risks that may impact the buyer's decision to enter into a legal commitment.

It is important to note that the survey is non-invasive and the surveyor can only comment on the visible elements at the date of the survey. It does not cover any hidden areas of the house and is only accurate to the date of the report. Any new defects that appear after the date of the report will not be included in this service, nor will Merit Estates be liable for any loss as a result of such later defects.

To determine the condition of the property, we assess the main parts (the 'elements') of the building, garage and some outside areas. These elements are rated on the urgency of maintenance needed, ranging from 'very urgent' to 'no issues recorded'.



Documents we may suggest you request before you sign contracts

There are documents associated with the following elements. Check these documents have been supplied by your solicitor before exchanging contracts.

Element no.	Document name	Comments (if applicable)



Elements that require urgent attention

These elements have defects that are serious and/or need to be repaired, replaced or investigated urgently. Failure to do so could risk serious safety issues or severe long-term damage to your property.

Element no.	Element name	Comments (if applicable)
D4	Main walls	Wall tie survey is advised
F1	Electricity	

Condition ratings

Elements that require attention but are not serious or urgent

These elements have defects that need repairing or replacing, but are not considered to be either serious or urgent. These elements must also be maintained in the normal way.

Element no.	Element name	Comments (if applicable)	



2

Elements with no current issues

No repair is currently needed. These elements listed must be maintained in the normal way.

Element no.	Element name	Comments (if applicable)
D2	Roof coverings	
D3	Rainwater pipes and gutters	
D5	Windows	
D6	Outside doors	
D8	Other joinery and finishes	
E1	Roof structure	
E2	Ceilings	
E3	Walls and partitions	
E4	Floors	
E6	Built-in fittings	
E7	Woodwork	
E8	Bathroom fittings	
F2	Gas/oil	
F3	Water	
G2	Permanent buildings and other structures	
G3	Other grounds	



Elements not inspected

We carry out a visual inspection, so a number of elements may not have been inspected. These are listed here.

Element no.	Element name
E5	Fireplaces, chimney breasts and flues
F4	Heating
F5	Water Heating
F6	Drainage
F7	Common Services



Elements not applicable

Elements that have not been inspected.

Element no.	Element name
D1	Chimney stacks
D7	Conservatory and porches
D9	Other outside the property
E9	Other inside the property
G1	Garage





About the property

This section includes:

- About the property
- Energy efficiency
- Location and facilities



About the property

Type of property

Semi-detached chalet bungalow

Approximate year the property was built

1960's

Approximate year the property was extended

Extension to the side and loft conversion were completed in 2018.

Approximate year the property was converted

n/a

Information relevant to flats and maisonettes

Construction

Brick walls with painted section under a composite tile pitched roof. The original property has a wing at the front with a pitched composite tile roof, valley gutters and lower ridge height. To the side is a new brick built extension with a pitched composite tile roof and lead valley gutter at the join to the gable of the house. 2 Velux rooflights and circular gable light. Flat moulded roof dormer to rear with tile hung cladding and lead flashings.

DPC and air bricks.

Plastic gutters and downpipes, plastic fascias and vented soffits.

UPVC double glazed windows and doors.

Plastic soil vent pipe to rear roof of the property and boiler flue to new side extension roof.

Accommodation

	Living rooms	Bedrooms	Bath or shower	Separate toilet	Kitchen	Utility room	Conservatory	Other
Lower ground								
Ground	1	2	1		1			
First		2	1					
Second								
Third								
Other								
Roof Space								

Energy efficiency

C

We are advised that the property's current energy performance, as recorded in the EPC, is as stated below.

We have checked for any obvious discrepancies between the EPC and the subject property, and the implications are explained to you.

Energy efficiency rating

D62 (B88)						
Issues	Issues relating to the energy efficiency rating						
n/a							
Main s	ervices						
A mark	ed box shows that	t the relevant mains s	ervice is present.				
(Gas	Electric	Water	Drainage			
Centra	I heating						
	Gas	Electric	Solid fuel	Oil			

Other services or energy sources (including feed-in tariffs)

n/a

Other energy matters



Location and facilities

Grounds

The site slopes down from the front of the house to the pavement.

At the front there is a sloping brick paved drive and parking area. Low brick wall and pillars to the pavement side, open to No 6. Flower bed to front and to No 2. There is a wood pedestrian gate to the side giving access to a brick paved passage to the rear garden.

At the rear there is a stone paved patio, lawns, flower beds and shrub border. Garden shed and Summer house. French drain to the rear of the house. Wood panel fence to No 2 and the rear boundaries. Close board with concrete posts to No 6.

Location

The property is in a residential cul-de-sac in the City district of County and the centre of town is a few minutes drive.

Facilities

Off street parking for 2 cars, secure garden.

Local environment

All information regarding the local environment has been taken from the Sale Particulars or has been declared by the vendor to the surveyor in person during the survey. The surveyor has not conducted any searches or further investigations. Please refer to the Legal Advisor section of this report for further detail.

Consider the following;

Clay soils are typical in the area and can cause problems with waterlogging and subsidence.





Outside the property

D

Outside the property

Limitations on the inspection

All external elements were inspected from ground level or from a 3m extendable ladder where safe to do so. Items that are not identifiable from the ground or the surrounding public land are not covered within this report. More detailed inspections by roofing contractors are advised if there is doubt or concern.

The Vendor stated that the chimney stack had been taken down when the loft conversion works had been carried out. The Dormer roof could not be seen.

D1 Chimney stacks

Not applicable.

D2 Roof coverings

The existing property was reroofed at the time of the works in 2018, with new tiles being used on the rear elevation and the best of the retained tiles being used on the front elevation.

The roof was not showing recent or obvious signs of movement, sagging or repair. The ridge appeared to be sound with no distinct sagging.

It is recommended that roofs are inspected annually or soon after any major storms. Any movement/gaps in the covering should be addressed urgently.

D3 Rainwater pipes and gutters

As it was not raining at the time of the inspection it was hard to tell if all the joints were watertight but there was no sign of staining on the walls or joints.

Gutters, traps and downpipes should be cleared annually and kept free of debris to prevent damage to the main structure.

(NA)

1

D4 Main walls

3

The main walls are not showing any obvious structural issues. However it was noted on the front wall below the window to Bedroom 2 that there is a diagonal crack running over 12 courses on the left hand side, with a less prominent crack on the right hand side. If no inspections of the wall ties were carried out when the works were done, it is advised that a wall tie survey of the original parts of the property be carried out prior to proceeding further.

The visible areas of pointing are in good condition with no distinct distortions in the brick work. Some efflorescence was noted to the new section and this should disappear over time.

The DPC appears to be intact and not bridged in any places with air bricks clear.

Pointing should be maintained to protect the structure and wall ties from decay.

Properties built pre 1986 with cavity walls may have cast iron, wrought iron or mild steel wall ties. Such wall ties are known to suffer from wall tie corrosion over time. Buyers should be sure to investigate any new cracking in plaster, mortar or brickwork in the future as a matter of urgency to avoid cavity failure.

it was unclear if cavity wall insulation had been installed retrospectively in the original part of the property and the Vendor was not able comment. In the event it has been installed then please note the statement in I3.

D5 Windows

The Vendor stated that new windows had been fitted in 2017.

Only a sample of the windows on each elevation are tested as part of a level 2 survey.

The units appeared visually intact with no misted panes or leaking seals, however over time, double glazing seals can deteriorate allowing moisture to form between the panes, thus causing misting. The presence of such moisture depends on certain atmospheric conditions which vary from time to time. Therefore, this problem will not always be evident on a single visit. If the windows have been installed for some time, the edge seals may be approaching the end of their useful life.

UPVC windows should be cleaned periodically to prevent decay.

Since 2002, double glazing should have either Building Regulation approval or have been installed by a contractor registered with an Association such as FENSA, CERTAS or BM Trada which have been recognised by the Government under the "Competent Person Scheme". Your Legal Advisor should check this and we refer you to section H2.

The sills and lintels all appear sound with no obvious movement.

D6 Outside doors (including patio doors)

The Vendor stated that the doors had been replaced in 2017.

2 glazed doors to the rear elevation. Window light to the front door.

All outside doors were seen to be functioning fully, although keys and locks have not been tested. The doors opened and closed freely with the frames intact and secure.

D7 Conservatory and porches

Not applicable.

D8 Other joinery and finishes

The fascias and soffits appeared sound from ground level.

D9 Other

Not applicable.

(1)

(NA)

(1)

(NA)





Inside the property

Inside the property

Limitations on the inspection

The extent of our inspection is limited by the existing fixtures, fittings and floor coverings which are not lifted and any furniture which we do not move.

E1 Roof structure

The surveyor was able to see a section of the coomb below the Velux roof lights on the front elevation via a hatch in Bedroom 4.

Loft insulation was not lifted or moved, nor were any personal possessions. The surveyor did not identify any defective parts from the areas that were visible. Hidden or obscured areas can not be commented on. The visible areas of structure were sound with no significant issues to report.

The loft space was insulated, part boarded, with some personal items. Wooden trusses with insulation board fitted between thus prevent sight of the roofing felt or paper below tiles.

Buyers should visually inspect the roof spaces quarterly to ensure no deterioration of felt or light penetration from moved tiles/slates.

E2 Ceilings

The ceilings did not show any issues of structural cracking or sagging. Any hairline cracks present (noted in the Living room) are decorative and will normally be repaired through the decoration process. There were no signs of water ingress through markings in the paintwork or ceiling paper.

E3 Walls and partitions

The external ground floor walls were tested for moisture content in the areas that were accessible/exposed. The moisture readings were normal for the type of internal wall finish and construction.

The walls were not showing any signs of internal structural issues, where visible. No comments can be made with regards to areas of wall hidden by furniture/units or personal possessions. Any surface cracks in the plaster or paintwork are not commented upon as they form part of the decorative finish.

Brick & Stud partition with paint finishes

1

E4 Floors

The ground floor is timber suspended. The floor passed the 'heel drop' test and is not showing any obvious signs of movement. The first floor is timber suspended floors. The floor passed the 'heel drop' test and is not showing any obvious signs of movement.

The floors may show some signs of movement when the floor areas are free of any furniture weight, if the movement is significant, the joists should be inspected before moving furniture in place.

Laminate, Tiles and Carpet floor coverings

E5 Fireplaces, chimney breasts and flues

The electric fire in the Living room was not tested. It is located where the original hearth was, but the flue has been removed.

E6 Built-in fittings (built-in kitchen and other fittings, not including appliances)

New Kitchen fitted in 2018.

A sample of kitchen units and built-in units around the property were tested and are fully functioning. Cookers and other integrated appliances are not tested.

The built in cupboards around the property are all functioning as designed.

E7 Woodwork (for example, staircase joinery)

(1)

(NI)

A sample of internal doors were tested and are functioning, however the Vendor stated that the missing furniture to the Kitchen door will be replaced prior to completion. Glazed doors to Kitchen and Living room.

The staircase and banister was secure with no obvious defects in the structure.

The general woodwork around the property (such as sills and skirting) was acceptable with no damage or rot.

Comment is not made with regards to decorative finishes or surface marks.

E8 Bathroom fittings

Ground floor Shower room - the WC flushed correctly with no signs of leaks around the cistern. The basin taps and plughole were functioning and secure. The units were securely fastened to the wall. There is a walk in shower cubicle. The shower was not tested however, the shower door was working fully. The extractor fan was fully operational. Wet panel walls to shower and tiled flooring.

Ensuite Shower room to Bedroom 1 - the WC flushed correctly with no signs of leaks around the cistern. The basin taps and plughole were functioning and secure. The units were securely fastened to the wall. There is a walk in shower cubicle. The shower was not tested however, the shower door was working fully. The extractor fan was fully operational. Wet panel walls to shower and tiled flooring.

E9 Other

(NA)

Not applicable.





Services

Services are generally hidden within the construction of the property. This means that we can only inspect the visible parts of the available services, and we do not carry out specialist tests. The visual inspection cannot assess the services to make sure they work efficiently and safely, and meet modern standards.

Services

Limitations on the inspection

F1 Electricity

Safety warning: Electrical Safety First recommends that you should get a registered electrician to check the property and its electrical fittings at least every ten years, or on change of occupancy. All electrical installation work undertaken after 1 January 2005 should have appropriate certification. For more advice contact Electrical Safety First.

A sample of the ceiling/wall lights were tested during the survey with no obvious defects. Wall sockets were not tested.

The Consumer Unit and RCD are located in the recessed wall cabinet in the Hall. From visual inspection the Consumer unit has no test date showing.

The meter is located in the same place and was installed in September 2012.

NICEIC guidance suggests that at every change of ownership the electrical installation in the property is tested and as such we recommend this be requested by your Legal Advisor. It is advised that all circuits are tested every 10 years or every 5 for older installations.

F2 Gas/oil

Safety warning: All gas and oil appliances and equipment should regularly be inspected, tested, maintained and serviced by a registered 'competent person' in line with the manufacturer's instructions. This is important to make sure that the equipment is working correctly, to limit the risk of fire and carbon monoxide poisoning, and to prevent carbon dioxide and other greenhouse gases from leaking into the air. For more advice, contact the Gas Safe Register for gas installations, and OFTEC for oil installations.

The Worcester combi boiler was located in the Shower/Utility room, wall mounted and was replaced in 2019. It is vented to the roof. The Vendor stated that the boiler was last serviced in September 2021.

The meter is located in the Hall cupboard and was installed in May 2008.

The boiler should be tested annually by a qualified engineer. No assessment can be made through visual inspection alone. Merit Estates are not liable for any boiler defects.

3

The water was on during the inspection. The taps that were sampled flowed correctly.

The water quality was not tested.

F4 Heating

The heating wasn't on during the survey. No radiators were tested/sampled as part of the survey.

The heating systems should be tested annually as part of the boiler tests.

Any individual electric heaters were not tested and should form part of the periodic electrical safety checks.

F5 Water Heating

The hot water at the tap was not tested as part of the survey.

F6 Drainage

The surveyor has not inspected drains, sewers, manholes or traps. Any concealed or hidden pipework has not been inspected on the property. If the purchaser has concerns over the drainage of the property, either internally or externally, we recommend instructing a Drainage CCTV Surveyor to map the drains.

Merit Estates cannot be held liable for any issues that stem from poor drainage or incorrect pipework. Solicitors should make enquiries with the vendors on all drainage matters.

Where recent works have been carried out to the property, vendors should be asked to provide details of the location of new pipework and the details of the plumber that installed the system.

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(NÌ)

F7 Common Services

The property is fitted with a burglar alarm, this was not tested and there was no information as to whether a maintenance contract is in place.





Grounds (including shared areas for flats)



Grounds (including shared areas for flats)

Limitations on the inspection

No sheds or movable storage buildings were inspected.

G1 Garage

Not applicable.

G2 Permanent outbuildings and other structures

The hard landscaping including boundary fences were in good condition generally

G3 Other

The garden/grounds are tidy and well maintained.

NA

(1)

(1)





Issues for your legal advisers

We do not act as a legal adviser and will not comment on any legal documents. However, if, during the inspection, we identify issues that your legal advisers may need to investigate further, we may refer to these in the report (for example, to state you should check whether there is a warranty covering replacement windows). You should show your legal advisers this section of the report.

Н

Issues for your legal advisers

H1 Regulation

The buyer's solicitors should conduct further investigations into the following areas that have been identified as part of this survey:

- Town and Country Planning Regulations
- Building Regulations
- Electrical Safety Regulations
- Control of Asbestos Regulations

H2 Guarantees

The buyer's solicitors should request the following guarantees/warranties/certificates from the vendors:

- FENSA Certificates
- Boiler Warranties
- Electrical Safety Certificates
- Gas Appliance Safety Certificates
- Minor Works Guarantees
- Cavity Wall Insulation Warranties if supplied

H3 Other matters

The Surveyor has not been provided with the title information. This report is based on the information that has been provided in the Sale Particulars and through any conversations with the vendors/selling agents during the survey.

Legal Advisors are recommended to conduct appropriate searches with regards to geological abnormalities specific to the local area. Such issues could include but are not limited to coal, radon, shale gas, gypsum, potash, subsidence, ground water. Solicitors are advised to conduct the necessary searches where applicable in any specific area, at their discretion.

Legal Advisors should carry out other searches/enquiries with regards to flood history, insurance claims, boundary disputes or alterations, chancel liability, party wall disputes, any green deal history, protected species, tree preservation orders, local invasive species (including Japanese Knotweed Management plans), trespass or rights of way disputes, parking permits/parking issues, any flying freehold or submerged freeholds. This list is not exhaustive and further advice can be provided by the surveyor for additional charges and under further written instruction.

Your Legal Advisor should establish the ownership of all boundaries and liability for maintenance. The survey does not include mapping of any boundaries or confirmation of their exact location.



Risks

This section summarises defects and issues that present a risk to the building or grounds, or a safety risk to people. These may have been reported and condition-rated against more than one part of the property, or may be of a more general nature. They may have existed for some time and not be reasonably changed.

Risks

I1 Risks to the building

Asbestos and other deleterious materials.

Absence of test certificates for services/appliances.

Potential wall tie failure to pre 1990's buildings.

It is thought that parts of the property may have been fitted with retrospective cavity wall insulation. It is not known exactly what type of insulation has been installed, however, certain older expanding foam types of insulation are classed as a deleterious material. Further detail should be requested as to the age and type of insulation. It should also be noted that installers should certify that the cavity is suitable for such an installation prior to injection. In older properties, inappropriate installations can accelerate wall tie decay or cause damp penetration. Buyers should request further detail from the Vendor.

I2 Risks to the grounds

Nothing evident at the time of the survey

I3 Risks to people

Asbestos and other deleterious materials.

Absence of test certificates for services/appliances.

I4 Other risks or hazards

Nothing evident at the time of the survey





Property valuation

Property valuation

This valuation has been undertaken in accordance with the *RICS Valuation - Global Standards* (Red Book Global Standards) - which includes the *International Valuation Standards*.

In my opinion the market value on	28th Jun 2022	as inspected was:
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According to the Land Registry data the subject property was sold in April 2002 for £175,000 (prior to any improvement works).

The public sales data at the date of this valuation for similar properties within a 1 mile radius in the last 2 years suggests an adjusted price bracket of £515,000 up to £644,000 for high end properties. The subject property is in good condition and is expected to be in the upper parts of this price bracket.

The agreed sale price is £650,000 and is therefore NOT within the expected parameters of the market. It is also above the level of any property sold in the street, although it has a 2nd floor which only one other property has.

It is the professional opinion of the valuer that the valuation should be £625,000 and the agreed price is NOT within the normal market parameters expected for this property at the date of valuation.

The valuation provided above is the professional opinion of the valuer having taken into account the material issues and market evidence.

The buyer should consider a re-negotiation of the price accordingly before proceeding with the legal commitment.

The valuer is not required to make any assessment of future values or market conditions with regards to the impact of any proposed improvements on the end value.

In my opinion the current reinstatement cost of the property (see note below) is:

It is not in the remit of the survey to assess the new floor area, however from the floor plan attached to the sale particulars a very rough approximation can be made that the floor area is of the order of 103 sq m.

Based on 103 sq m a value of £242,050 is assessed.

It is advised that an accurate floor area be assessed for insurance purposes.

Tenure

Area of property (sq m)

Freehold

The current EPC states a floor area of 62 sq m, however this was in 2017 and prior to the extension and loft conversion.

I Arriving at my valuation, I made the following assumptions:

Regarding the materials, construction, services, fixtures and fittings, etc, I have assumed that:

- an inspection of those parts that I could not inspect would not identify significant defects or a cause to alter the 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 or sales incentives.
- Regarding legal matters, I have assumed that:
- the property is sold with 'vacant possession' (your legal advisers can give you more information on this term)
- the condition of the property, or the purpose the property is or will be used for, does not break any laws
- no particularly troublesome or unusual restrictions apply to the property, the property is not affected by problems that would be revealed by the usual legal inquiries and all necessary planning permissions and Building Regulations consents (including consents for alterations) have been obtained and complied with, 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).



Your legal advisers, and other people who carry out property conveyancing, should be familiar with these assumptions and are responsible for checking those concerning legal matters.

Any additional assumptions relating to the valuation

The reinstatement cost does not include fees, demolition, VAT or abnormal costs. It has been calculated using average construction costs for the region, multiplied by the floor area supplied in the sales particulars or failing that in the EPC and should only be considered as an absolute minimum reinstatement cost. More detailed calculations can be provided by a Chartered Building Surveyor.

One available alternative to this can be found on the BCIS Home Reinstatement Calculator as a free online service.

My opinion of the market value shown could be affected by the outcome of the enquiries by your legal advisers (section H) and/or any further investigations and quotations for repairs or replacements. The valuation assumes that your legal advisers will receive satisfactory replies to their enquiries about any assumptions in the report.

Other considerations affecting value

SPECIAL NOTICE:

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors.

As at the valuation date, we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement.

Our valuation(s) is / are therefore reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of this property under frequent review.

Note: You can find information about the assumptions I have made in calculating this reinstatement cost in the *Description of the RICS Home Survey – Level 2 (survey and valuation) service* provided in section M. The 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 by acting in line with current Building Regulations and other legal requirements. This will help you decide on the amount of buildings insurance cover you will need for the property.





Surveyor's declaration



Surveyor's declaration

Surveyor's RICS number	Phone number	
0060924	07876342427	
Company		
Merit Estates		

Surveyor's address

The House, The Street, City, County

Year	Establishment	Qualification
1994	RICS	Fellowship

Email

andrew@merit-estates.co.uk

Website

www.merit-estates.co.uk

Property address

1 Fictional Way City	
City County	
Jnited Kingdom KX1 1XX	

Client's name

Date this report was produced

Mr A Sample

29th May 2022

I confirm that I have inspected the property and prepared this report.







What to do now

Further investigations and getting quotes

We have provided advice below on what to do next, now that you have an overview of any work to be carried out on the property. We recommend you make a note of any quotations you receive.

Getting quotations

The cost of repairs may influence the amount you are prepared to pay for the property. Before you make a legal commitment to buy the property, you should get reports and quotations for all the repairs and further investigations the surveyor may have identified. You should get at least two quotations from experienced contractors who are properly insured.

You should also:

- ask them for references from people they have worked for;
- · describe in writing exactly what you will want them to do; and
- get them to put their quotations in writing.

Some repairs will need contractors who have specialist skills and who are members of regulated organisations (for example, electricians, gas engineers, plumbers and so on). You may also need to get Building Regulations permission or planning permission from your local authority for some work.

Further investigations and what they involve

If we are concerned about the condition of a hidden part of the building, could only see part of a defect or do not have the specialist knowledge to assess part of the property fully, we may have recommended that further investigations should be carried out to discover the true extent of the problem.

This will depend on the type of problem, but to do this properly, parts of the home may have to be disturbed, so you should discuss this matter with the current owner. In some cases, the cost of investigation may be high.

When a further investigation is recommended, the following will be included in your report:

- a description of the affected element and why a further investigation is required
- · when a further investigation should be carried out and
- a broad indication of who should carry out the further investigation.

Who you should use for further investigations

You should ask an appropriately qualified person, although it is not possible to tell you which one. Specialists belonging to different types of organisations will be able to do this. For example, qualified electricians can belong to five different government-approved schemes. If you want further advice, please contact the surveyor.





Description of the RICS Home Survey – Level 2 (survey and valuation) service and terms of engagement

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Description of the RICS Home Survey Level 2 (Survey & Valuation) service and terms of engagement

The service

The RICS Home Survey – Level 2 (survey and valuation) service includes:

- a physical inspection of the property (see 'The inspection')
- a report based on the inspection (see 'The report') and
- a valuation which is part of the report (see 'The valuation').

The surveyor who provides the RICS Home Survey – Level 2 (survey and valuation) service aims to give you professional advice to help you to:

- make an informed decision on whether 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 further advice you should take before committing to purchase the property.

Any extra services provided that are not covered by the terms and conditions of this service must be covered by a separate contract.

The inspection

The surveyor inspects the inside and outside of the main building and all permanent outbuildings, recording the construction and significant visible defects that are evident. This inspection is intended to cover as much of the property as is physically accessible. Where this is not possible, an explanation is provided in the 'Limitations on the inspection' box in the relevant section of the report.

The surveyor does not force or open up the fabric of the building. This includes taking up fitted carpets, fitted floor coverings or floorboards; moving heavy furniture; removing the contents of cupboards, roof spaces, etc.; removing secured panels and/or hatches; or undoing electrical fittings.

If necessary, the surveyor carries out parts of the inspection when standing at ground level, from adjoining public property where accessible. This means the extent of the inspection will depend on a range of individual circumstances at the time of inspection, and the surveyor judges each case on an individual basis.

The surveyor uses equipment such as a damp meter, binoculars and torch, and uses a ladder for flat roofs and for hatches no more than 3m above level ground (outside) or floor surfaces (inside) if it is safe to do so.

The surveyor also carries out a desk-top study and makes oral enquiries for information about matters affecting the property.

If it is safe and reasonable to do so, the surveyor will enter the roof space and visually inspect the roof structure with attention paid to those parts vulnerable to deterioration and damage. Although the surveyor does not move or lift insulation material, stored goods or other contents.

Services to the property

Services are generally hidden within the construction of the property. This means that only the visible parts of the available services can be inspected, and the surveyor does not carry out specialist tests.

The visual inspection cannot assess the efficiency or safety of electrical, gas or other energy sources; 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 where access can be obtained. Where there are restrictions to access (e.g. a creeper plant prevents closer inspection), these are reported and advice is given on any potential underlying risks that may require further investigation.

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

Flats

When inspecting flats, the surveyor assesses the general condition of the outside surfaces of the building, as well as its access areas (for example, shared hallways and staircases that lead directly to the subject flat) and roof spaces, but only if they are accessible from within and owned by the subject flat. The surveyor does not inspect drains, lifts, fire alarms and security systems.

External wall systems are not inspected. If the surveyor has specific concerns about these items, further investigation will be recommended before making a legal commitment to purchase. Until these investigations are completed, the surveyor may not be able to provide you with a market valuation figure.

Dangerous materials, contamination and environmental issues

The surveyor does not make any enquiries about contamination or other environmental dangers. However, if the surveyor suspects a problem, they should recommend 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 does not carry out an asbestos inspection and does not act as an asbestos inspector when inspecting properties that may fall within The Control of Asbestos Regulations 2012 ('CAR 2012'). However, the report should properly emphasise the suspected presence of asbestos containing materials if the inspection identifies that possibility. With flats, the surveyor assumes that there is a 'dutyholder' (as defined in CAR 2012), and that there is an asbestos register and an effective management plan in place, which does not present a significant risk to health or need any immediate payment. The surveyor does not consult the dutyholder.

The report

The surveyor produces a report of the 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 addressed. The report objectively describes the condition of the elements and provides an assessment of the relative importance of the defects/problems. Although it is

concise, the RICS Home Survey – Level 2 (survey and valuation) report does include advice about repairs or any ongoing maintenance issues. Where the surveyor is unable to reach a conclusion with reasonable confidence, a recommendation for further investigations should be made.

Condition ratings

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

R - Documents we may suggest you request before you sign contracts.

Condition rating 3 - Defects that are serious and/or need to be repaired, replaced or investigated urgently. Failure to do so could risk serious safety issues or severe long-term damage to your property. Written quotations for repairs should be obtained prior to legal commitment to purchase. **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 1 - No repair is currently needed. The property must be maintained in the normal way.

NI - Elements not inspected.

The surveyor notes in the report if it was not possible 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.

Energy

The surveyor has not prepared the Energy Performance Certificate (EPC) as part of the RICS Home Survey – Level 2 (survey and valuation) service for the property. Where the EPC has not been made available by others, the most recent certificate will be obtained from the appropriate central registry where practicable. If the surveyor has seen the current EPC, they will review and state the relevant energy efficiency and rating in this report. In addition, as part of the RICS Home Survey – Level 2 (survey and valuation) service, checks are made for any obvious discrepancies between the EPC and the subject property, and the implications are explained to you.

Issues for legal advisors

The surveyor does not act as a legal adviser and does not comment on any legal documents. If, during the inspection, the surveyor identifies issues that your legal advisers may need to investigate further, the surveyor may refer to these in the report (for example, to state you should check whether there is a warranty covering replacement windows).

This report has been prepared by a surveyor merely in their capacity as an employee or agent of a firm, company or other business entity ('the Company'). The report is the product of the Company, not of the individual surveyor. All of the statements and opinions contained in this report are expressed entirely on behalf of the Company, which accepts sole responsibility for them. For their part, the individual surveyor assumes no personal financial responsibility or liability in respect of the report, and no reliance or inference to the contrary should be drawn.

In the case of sole practitioners, the surveyor may sign the report in their own name, unless the surveyor operates as a sole trader limited liability company.

Nothing in this report excludes or limits liability for death or personal injury (including disease and impairment of mental condition) resulting from negligence.

Risks

This section summarises significant defects and issues that present a risk to the building or grounds, or a safety risk to people. These may have been reported and condition rated against more than one part of the property, or may be of a more general nature. They may have existed for some time and cannot be reasonably changed. If the property is leasehold, the surveyor gives you

general advice and details of questions you should ask your legal advisers. The RICS Home Survey – Level 2 (survey and valuation) report will identify and list the risks, and explain the nature of these problems.

The valuation

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

Market value

'Market value' is the estimated amount for which an asset or liability should exchange on the valuation date 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.

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 assumes that:

- an inspection of those parts that have not yet been inspected would not identify significant defects
- 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.

Legal matters

The surveyor assumes that:

- the property is sold with 'vacant possession' (your legal advisers 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, the property is not affected by problems that would be revealed by the usual legal enquiries, and all necessary planning and Building Regulations permissions (including permission to make alterations) have been obtained and any works undertaken comply with such permissions, 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 reports any more assumptions that have been made or found not to apply. If the property is leasehold, the general advice referred to earlier explains 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 helps you decide on the amount of buildings insurance cover you will need for the property

Standard terms of engagement

1 The service - the surveyor provides the standard RICS Home Survey Level 2 (Survey & Valuation) service described in this section, unless you and the surveyor agree in writing before the inspection that the surveyor will provide extra services. Any extra service will require separate terms of engagement to be entered into with the surveyor. Examples of extra services include:

- costing of repairs
- schedules of works
- supervision of works
- re-inspection
- detailed specific issue reports and
- market valuation (after repairs).

2 The surveyor - the service will be provided by an AssocRICS, MRICS or FRICS member of the Royal Institution of Chartered Surveyors (RICS) who has the skills, knowledge and experience to survey and report on the property. Where the surveyor is also providing a valuation of the property, they have the skills, knowledge and experience to provide such a valuation and are a member of the RICS Valuer Registration Scheme.

3 Before the inspection - before the inspection, you should tell us if there is already an agreed or proposed price for the property, and if you have any particular concerns about the property (such as a crack noted above the bathroom window or any plans for extension).

4 Terms of payment - you agree to pay the surveyor's fee and any other charges agreed in writing.

5 Cancelling this contract - you should seek advice on your obligations under The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 ('the Regulations') and/or the Consumer Rights Act 2015 in accordance with section 2.6 of the current edition of the Home survey standard RICS professional statement.

6 Liability - the report is provided for your use, and the surveyor cannot accept responsibility if it is used, or relied upon, by anyone else.

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

This report is for use in the UK.

Complaints handling procedure

The surveyor will have a complaints handling procedure and will give you a copy if you ask. The surveyor is required to provide you with contact details, in writing, for their complaints department or the person responsible for dealing with client complaints. Where the surveyor is party to a redress scheme, those details should also be provided. If any of this information is not provided, please notify the surveyor and ask that it be supplied.

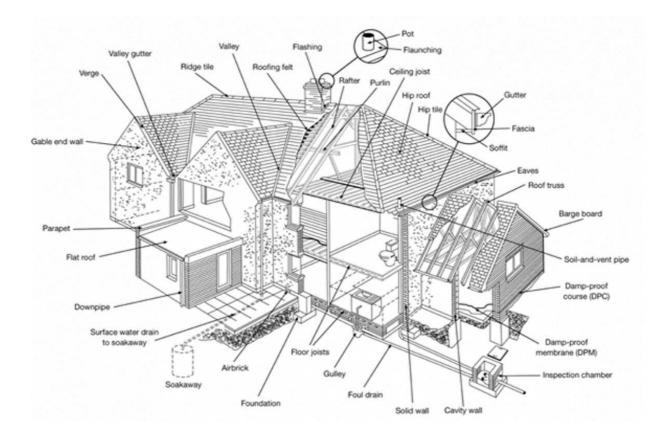




Typical house diagram

Typical house diagram

This diagram illustrates where you may find some of the building elements referred to in the report.



RICS disclaimer

You should know...

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