Survey identifies homebuyers' lack of understanding regarding property surveys and reports

Submitted by: Peptalk Communications
Wednesday, 26 April 2017

A YouGov survey commissioned by Landmark Valuation Services (https://www.landmark.co.uk/lvs) (formerly Quest) and Countrywide Surveying Services (http://www.cwsurveyors.co.uk/) has found that many home owners do not know who is responsible for advising on the physical condition of a property prior to purchase. Additionally, they are unclear on the purpose of a mortgage lender's property valuation report, suggesting a need for greater clarity within the home-buying process.

When asked who benefits from the data contained in a mortgage valuation, respondents were not clear with many opting to choose incorrect answers. 65% correctly stated that the valuation report is for the benefit of the mortgage lender, yet over a third (35%) thought it is for buyers to use to determine whether the property is worth the agreed purchase price. Just over a quarter (26%) felt it is there to provide buyers with details on the condition of the home, while 15% of respondents directly stated that they did not know what the valuation report is for.

In addition, when asked what would help improve the current home-buying process;

• Seven out of every 10 respondents said they would like to receive information upfront regarding the physical condition of a property
• 58% said it would be desirable to receive outline costs for specific repairs needed to a property prior to purchase,
• 45% felt that receiving upfront information relating to environmental issues connected to the property would be beneficial.

Paul Wareham from Countrywide Surveying Services said: "The YouGov survey shows a general lack of understanding as to who people should turn to when looking for assistance with assessing the physical condition of a property, before they buy. With seven out of every ten respondents saying they would like to receive information on the physical condition of a property upfront, it raises a number of questions, are we as an industry, meeting the needs of the consumer with our existing approach and products; plus with an election around the corner do we need to refresh our home-buying approach looking again at Home Reports as a mandatory step in the process, as per the current protocol in Scotland? It's clear that from the survey that consumers really do need better information to ensure that everyone is entering a property transaction 'eyes wide open' as to any potential issues or risks."

Michael Holden, Head of Client Relationships at Landmark Valuation Services said: "A study by ComRes for RICS showed that, on average, homebuyers spend £5,750GBP on repairs once they have moved into their homes, which is often down to not getting the right survey done. If the public were more aware of what surveys and reports are out there, there would be greater transparency for all involved. There is certainly an appetite for home owners to have an understanding of a property's condition before they buy it however there appears to be confusion as to how this can be achieved."

Further findings included:

• One fifth of respondents said they used the details provided by the estate agent to assess the condition of the property prior to completion.
• 35% said they used the lender's mortgage valuation to research into the physical condition of the property prior to completion.
• 12% stated that they did not know who is mainly responsible for advising buyers on the physical condition of a property.
• Almost eight out of every 10 respondents (79%) in both the East of England and South West regions said they would like to receive details of the physical condition of the property upfront to help improve the current buying process.
• Only 36% of respondents from the North East said they paid for a surveyor to inspect their current property, prior to purchasing, with 41% choosing to inspect the property themselves.
• A quarter of respondents from Wales stated that they did not know who is mainly responsible for advising on the condition of a home prior to purchase.

For further information regarding Landmark Valuation Services, telephone 0844 844 9969 or visit www.landmark.co.uk/lvs. For more information regarding Countrywide Surveying Services, visit www.cwsurveyors.co.uk.

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Notes to Editors:

• All figures, unless otherwise stated, are from YouGov Plc.
• Total sample size was 2122, of which 1,365 were homeowners with a mortgage.
• Fieldwork was undertaken between 5th - 9th January 2017.
• The survey was carried out online.
• The figures have been weighted and are representative of all GB adults (aged 18+).

What would you like to be included in the home buying process to improve it?
-Information upfront regarding the physical condition of the property 70%
-Outline costs for specific repairs needed to the property 58%
-Information upfront regarding environmental issues to the property 45%
-Details of local specialist who can help with specific repairs 24%

The mortgage valuation report is used for:
-For the mortgage lender, to determine whether the property is safe for them to lend money against 65%
-For the buyer, to determine whether the property is worth the agreed purchase price 35%
-For the buyer, to determine the quality/condition of a property before it is purchased 26%
-For the property's solicitor, to determine whether there are any defects with the property that the buyer should be made aware of 24%
-Don't know 15%

When buying your current home, what research did you do into the physical condition of the property?
-Paid for a surveyor to inspect the property 48%

-Personally inspected the property 44%
-Used the feedback from the surveyor's mortgage valuation inspection 35%
-Used the details provided by the vendor/vendor's estate agent 20%

Before a purchase completes which ONE of the following people do you think is mainly responsible for advising the buyer on the physical condition of the property?
-An independent surveyor commissioned by the buyer 38%
-The mortgage lender's valuation surveyor 14%
-The current owner 11%
-The buyer's conveyancing solicitor 9%
-The buyer's mortgage lender 5%
-The current owner's estate agent 4%

About Landmark Valuation Services:
Landmark Valuation Services (formerly Quest), which is part of Landmark Information Group, is the market leading provider of survey and mortgage valuation software in the UK. It has also developed an award-winning risk management tool for the lending community, in addition to its Q-Mobile product, which has won several awards for delivering efficiencies to the residential surveying sector.

Landmark Valuation Services also specialises in software that allows users to access, develop, collate and share RICS Homebuyer Reports, Home Reports, Energy Performance Certificates, Home Condition Reports and Commercial Energy Reports in a secure, digital environment.

For further information, telephone: 0844 844 9969, visit: www.landmark.co.uk or follow via Twitter on http://www.twitter.com/LandmarkLVS.

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