

CONSULTATION QUESTIONS

Section 1

Q1) Do you think the Home Report is meeting its original objectives?

Yes No

Q1a) If yes, please explain why

Yes, but only in part. As a seller I did make improvement to the condition of my house prior to the HR and some minor repairs after the HR was issued to me. However, as a buyer I found HRs on many properties to not highlight obvious faults with known pressure from agents and sellers put on surveyors to only put category 1 repairs even when faults were present. In addition, the HR on the house I finally bought only had a HR from a cheap fee firm and so I was required to get my own survey and mortgage valuation carried out therefore resulting on multiple surveys on the property. The valuation on the HR does seem to set the upper asking price for a property with most sales below HR value so this has removed the artificially low asking prices.

Q1b) If no, please explain why

Comments

Q2) Are the original Home Report objectives still appropriate?

Yes No

Q2a) If yes, please explain why

If the HR is done by a reputable surveyor without excessive pressure from agents then sellers will know the report will be 'warts and all' and so many will look to make any significant repairs before the HR is commissioned or if they choose not to the buyer will have a full view of any issues and can reflect this in offer price and ensure they have the additional funds available to make essential repairs as soon as the taken possession of the property. It should also avoid multiple surveys if the HR is carried out by a reputable surveyor that has lender panel appointments so the buyer's lender does not have to commission another survey for the mortgage. The problem of setting artificially low asking pricing does not appear to be a problem in the current market, however I see the benefit in controlling the unrealistic values some agents (particularly the fixed fee upfront agents) will promise to get for your house in order to win your business, then 3 months later ask you to reduce the asking price in line with the other agents at the original time.

Q2b) If no, please explain why

Comments

Q3) Should the Home Report play a more central role in promoting energy efficiency and property condition improvements among home owners?

Yes No

Q3a) If yes, please explain why

I feel many homeowners will not have much knowledge on home maintenance and improvements and many will not fully trust tradesmen to give fair view and costs of works required. However armed with a 3rd party report they should be more confident to approach tradesmen and have a better understanding of potential costs of repairs before instructing works. Similarly few homeowners will fully understand energy efficiency and are reluctant to invest in expensive efficiency improvements that will only release a benefit and saving back to them over the long term.

Q3b) If no, please explain why

Comments

Q4) Should a national register of Home Reports be established?

Yes No

Q4a) If yes, please explain why including who should have responsibility for development and maintenance

Comments

Q4b) If no, please explain why

The condition of a property and categories of repair in a HR are ultimately the judgement of a single surveyor with attitudes varying across different surveying firms and from levels of pressure from agents. Therefore to track the changes of condition of a property over time across HR would only be possible if the HR over time were all done by the same surveyor.

Section 2

Q5) Do you think the upfront cost of Home Reports is preventing potential sellers from putting their property onto the market?

Yes No

Q5a) If yes, please provide details.

Comments

Q6) Are you aware of any schemes available (e.g. deferred payment) to help potential sellers to pay for home reports?

Yes No

Q6a) If yes, please provide details

Comments

Q7) Are there any issues with the majority of Home Reports being commissioned through selling agents?

Yes No

Q7a) If yes, please explain why

As selling agents will be commissioning HRs on behalf of their clients they will control a large volume of instructions and in the majority of cases will not give their client a choice of surveyor to use. Therefore the agent can put pressure on the surveyor to report in a favourable manor to aid the sale of the property as they can threaten to move their large volume of business if they don't get their way. I have heard many stories of agents telling prospective buyers they can get the valuation and condition the seller wants on the HR without the surveyor even seeing or discussing the property with the agent. In addition, I have also heard many selling agents will take an introduction fee from the surveyor for passing them the business and so this will ultimately increase the costs to the seller.

Q7b) If no, please explain why

Comments

Q8) Should other organisations be allowed to carry out the Single Survey (including valuation) and/or the Energy Report?

Yes No

Q8a) If yes, what other organisations and why

Comments

Q8b) If no, please explain why

After having to pay for another lender survey on the property I purchased for

mortgage purposes, it really took a large value out of the HR for the property. If the HR had been carried out by a reputable surveyor on the lender panels then the whole sale process would have gone through a lot quicker and smoother and would have saved me the best part of £1,000 on another survey that would not have been required. If non property RICS surveyor were able to carry out HRs then the cost of the HR would be likely to drop and firms would not have to pay professional wages, but at the same time most properties would then need 2 surveys; the HR for the seller then a mortgage valuation for the buyer which in many cases would lead to disputes on value and condition which would slow down the sale process and ultimately stop a lot of sale concluding. As most sellers are buying another property they too end up paying more for surveys as saving on HR will be more than outweighed by a mortgage valuation on their new home.

Q9) In your experience is the requirement for a home report before marketing a property leading to delays in properties coming onto the market?

Yes No

Q9a) If yes, please outline the implications of this.

Comments

Q10) Are home reports a useful marketing tool for sellers?

Yes No

Q10a) If yes, please explain why

If sellers take the time to fix any issues with the property before the HR then such recent repairs can be mentioned in the HR and give prospective buyers comfort that the property is well maintained and give an advantage over poorer conditioned properties.

Q10b) If no, please explain why

Comments

Q11) Is the 12 week deadline for marketing a property after completion of a home report appropriate and reasonable?

Yes No

Q11a) If yes, please explain why

Due to the upfront costs etc. if a HR is completed the property should be going on the market straight away so I can't see a problem with the 12 week deadline, although I'm not sure a deadline is needed at all. The date of the HR is shown so buyers will know how old the report is.

Q11b) If no, please explain why

Comments

Q12) Is the 28 day provision for removing a property from the market without requiring a new home report appropriate and reasonable?

Yes No

Q12a) If yes, please explain why

Again the date of the HR is shown so buyers will know how old the report is, so a break from marketing the property should not make much difference.

Q12b) If no, please explain why

Comments

Q13) Are there any issues with potential buyers accessing home reports?

Yes No

Q13a) If yes, please provide an overview and outline the implications of this

Comments

Q14) Is this the most appropriate way to enforce home report legislation?

Yes No

Q14a) If no, please explain why and how this could be improved

Comments

Q15) What are your views on mortgage lenders' acceptance of home report valuations?

This is key to the value of the HR and to stop multiple surveys on the same property. This is why I used a reputable surveyor to produce the HR for the property I sold. If they are accepted on the lender panels then I knew I could trust their report, opinion and value of the property and it would also ensure a smooth sales process and transparent sale price negotiation with the buyer.

Q16) Are the re-dress options available to buyers reasonable and appropriate?

Yes No

Q16a) If no, please explain why and how these could be improved

Comments

Q17) Do these exceptions need to be amended?

Yes No

Q17a) If yes, please explain what amendments are required and why
I would expect property portfolios to require individual HRs for individual properties. Not only to protect the buyer and ensure they are fully aware of the condition of the properties they are buying but also to hopefully raise the standard of the conditions for tenants and highlight any breaches of regulations.

Section 3

Q18) Does the single survey element of the home report provide an appropriate and useful level of information?

Yes No

Q18a) If no, please explain why and what information should be removed and/or added

Comments

Q19) Should the repairs categories in the single survey be amended to make them consistent with the categories used in the Scottish House Conditions Survey?

Yes No

Q19a) If yes, please explain why

Comments

Q19b) If no, please explain why

I believe the current definitions are more consumer friendly. However only three categories may be too broad, 5 may be better.

Q20) Is the valuation element of the single survey a useful element of the home report? Yes No

Q20a) If yes, please explain why

I believe this is the key element most buyers (and sellers) will focus on. It gives a transparent value for both the seller and buyer to negotiate from and take out elements of market / agent hype.

Q20b) If no, please explain why

Comments

Q21) Is the information provided in the energy report appropriate and useful?

Yes No

Q21a) If yes, please explain why

It is good to raise awareness of the efficiency of properties and give buyers a rough estimate of the ongoing energy costs they would face and what they could do improve the efficiency and likely costs of doing this and saving going forward.

Q21b) If no, please explain why

Comments

Q22) Is the information provided in the property questionnaire appropriate and useful? Yes No

Q22a) If yes, please explain why

It will help solicitors in the sales process and is also asking the seller to be truthful as to any prior changes / incidents with the property instead of leaving it all to 'buyer beware'.

Q22b) If no, please explain why

Comments

Q23) Should an additional question on land maintenance fees be added to the Property Questionnaire?

Yes No

Q23a) If yes, please explain why

The more information provided the better.

Q23b) If no, please explain why

Comments