

Housing Trade Condition Evaluation

The condition evaluation is based on performance instructions KH 90-00394, Performance Instructions for a Condition Evaluation in Connection with Real Estate Transactions, published by Building Information Ltd. The performance instructions include more specific definitions of the objectives, content and scope of a condition evaluation, the measurements to be taken during the site visit, reporting and liabilities of the condition inspector.

Objective of the condition evaluation

- The purpose of a condition evaluation is to offer objective information to the parties of a housing transaction regarding the structural engineering condition, repair needs, damage and health and safety hazards connected with the subject site, as well as repair proposals connected with these issues.
- The condition evaluation aims at reducing the risk of dissatisfaction or conflicts due to faults, defects or damage that are noticed after the transaction.
- It is often advisable to order a condition evaluation even when the property is not to be sold in the near future, because repairing any detected damage or defects in time will produce major savings when compared to a situation where the damage or defect is left unnoticed. Furthermore, the data provided by a condition evaluation can be used as an excellent tool in cost-efficient maintenance of a property.

Uncertainties connected with a condition evaluation

A condition evaluation does not free the seller or the buyer of their legal responsibilities regarding the duty to disclose or the duty to investigate, nor does it change the liability for damages that cannot be detected in a condition evaluation. As a condition evaluation is mostly a superficial survey, the fact that a condition evaluation has been done does not eliminate the possibility that the inspected site may contain hidden defects which cannot be detected in a condition evaluation. Hidden damage inside structural elements cannot be detected at the time of the site visit, unless there is some visible damage on the surface of the structural element or damage that can be detected with a measuring

device. In cases where sanitary premises have been unused for a long time, it is not possible to evaluate with a humidity detector whether any structural elements contain humidity damage or determine the waterproofing ability of the structures in normal use.

Key content of a condition evaluation

(For more specific description of the content, please see KH 90-00393 and KH 90-00394)

- A condition evaluation may be ordered by the owner of a property, the owner and a prospective buyer together, or the buyer and a third party if the owner has given their consent. An agreement in writing is always made when placing an order.
- The client will be notified of the preparations the client must perform (see KH 90-00393, Instructions for the Client).
- The site visit usually takes approximately 2–6 hours. At the beginning of the site visit, the inspector will conduct a preliminary interview to acquire initial data to be used in the evaluation (see the interview part of the Condition Evaluation).
- All visible surfaces in all premises to which there is access, all exterior faces, the roof and the sides of the building will be inspected to the extent described in the performance instructions utilising sensory methods where structures are left undisturbed. The inspector will evaluate during the site visit whether there is the risk of hidden faults and defects.

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- If it is justified due to a suspected risk or damage, the scope of the evaluation includes, in accordance with the performance instructions (KH 90-00394), taking of humidity measurements to the extent deemed necessary by the inspector from building board or timber structures via a 6 mm drilled hole (excluding stone structures or structural elements behind stone structures) or opening of structures with a 115 mm outlet cutter. The holes will be covered with a covering board after the survey is done.
- If there is reason to suspect the condition of a structural element but the element cannot be fully surveyed by utilising the condition evaluation methods, the condition inspector will recommend further surveys. A separate agreement will always be made for any further surveys not included in the scope of the condition evaluation. The client carries the responsibility for performance of the additional surveys.
- Heating, water, ventilation and electricity system elements as well as building automation systems will be evaluated by the structural engineering expert, but only as comes to the visible parts of the systems, based on their age and based on any information provided by the users of the property.
- A report in writing is always drawn up for a condition evaluation. The report includes any major damage, risks, defects and repair needs detected, as well as proposed actions in order to study or repair the detected faults and defects. The report includes the significance and gravity of all observations made, as well as the necessary repairs or actions. The report describes at a general level what are the risks if the damage is not repaired. Photographs taken at the subject site are included in the report.
- The condition evaluation report is not a repair work specification or a repair plan, and it does not include any cost estimates or long-term repair plan proposals. These services are available by placing an order for a long-term repair plan proposal for a detached house.

We always recommend carrying out a condition evaluation in connection with transfer of property. ■

