

Surveys in Real Estate

Adam Garrett

Started 9/22/18 with most recent edits on 12/5/22

As stated on the consumer disclosure information form states in section 20 as of 1/3/22:

“The Purchase Agreement provides that Buyer may elect to waive a physical survey of the boundary of the property being acquired and improvements made to the property to include structures, fences, etc. which may affect the insurability of your Property and will likely result in an exception to coverage in the owner’s title insurance policy. **The Selling Firm**, Listing Firm or Seller **make no representation or warranty as to when and if a physical survey would be appropriate** and the status of actual boundaries of the property, the location of easements affecting the property, encroachments, compliance with setback requirements access to public highways and any other matters that would affect conveyance of title to Buyer. Buyer is advised to obtain a survey to confirm the matters noted above.”

For reference, the “selling firm” includes the buyer’s agent. I don’t know why “the selling firm” sounds so much like “the listing firm”, which makes things confusing for buyers, but it’s the 2 different firms representing buyer and seller in a transaction.

Best time to get a survey:

Prior to purchase during home inspection period as one of the inspections scheduled and contingent in the contract. As long as it is accomplished within 60 days of contract closing, it will apply to your buyer’s title insurance (buyer’s title insurance is an optional product that I always recommend).

Positives:

1. People who want to be covered by buyer’s title insurance in the event of encroachment etc. regardless of the level of risk even if it costs them some extra money.
2. Having a survey has a slightly positive impact on resale (even though you probably won’t get your full money’s worth) as it is one less thing for a buyer to worry about
3. If you ever plan on putting up a fence, doing an addition, or adding additional structures, a survey is key and it’s better to do it now than wait for title insurance purposes.
4. On one occasion, a buyer client of mine purchased a home that was built on the wrong lot. Because no survey was performed, no one knew but the seller and some of those that worked for the seller until after one of those people informed the buyer. She received this form link within the spreadsheet for offers I send to buyers, & signed the consumer disclosure information form which advises a survey, but she didn’t opt to acquire a survey.

Costs:

1. Additional cost (usually \$400-\$1200, with higher costs with larger [i.e. >1.5 acres] and more complex property lines, i.e. >\$5k for a >30 acre lot).

2. If a contract is contingent on one, it's one more thing to get done quickly within a set contractual timeline. In some cases it can be done after the home inspection window, but some buyers up to do it within that window. Especially if the seller is not willing to allow longer inspection timelines or if you are trying to make a more competitive offer by narrowing down those timelines, this factor becomes bigger. While my standard suggested timeline for inspections is 14 days, for more aggressive offers, I suggest 10 days, and sometimes I have had both individual sellers and banks for foreclosures counter with 7 days. Keep in mind that you not only need to find a surveyor who can do it within that time frame, but you also need appropriate time for him to generate the survey, and then you need to consider the survey, then make an informed decision about action, then, in some cases, put something in writing & send it to the seller prior to the window agreed upon contractually for inspection timeline.

Times when most important to get a survey:

1. When the tax records or Zillow map look like a [structure may be encroaching](#) on the property line.
2. Whenever buying land
3. Whenever you are considering an addition, building a fence, planting trees or other plants along a property line, or building anything else on a property that would require a permit to build or that might be close to the lot lines.
4. Whenever buying stand alone new construction that's not part of a larger new construction community
5. People who want to be covered by buyer's title insurance regardless.
6. When a buyer wouldn't be able to afford a total loss on their home due to significant issues that would have been discovered had a survey been performed
7. When buying a property that's not in a well established neighborhood with plenty of distance between homes and typical box shaped lot lines.
8. When there is no recent survey on file that would be covered by your title insurance
9. When a seller has a survey, but is dragging their feet on getting it to the buyer/buyer's agent (& may thereby know something that they are intentionally not saying & may never get their survey to the buyer/buyer's agent without ever actually refusing it)

Adam has a list of surveyors in SE VA but doesn't like to share his lists of recommendations without a hold harmless specific to service providers following an incident in 2022/2023 when a buyer sought to hold Adam & Garrett Realty Partners financially liable for their dissatisfaction with a service provider. In that incident, the referred service provider, a home inspector, was not an affiliated business of Adam or Garrett Realty Partners but someone who Adam had used extensively in the past. The buyer sought to hold Adam liable even after Adam got them the costs & times of 4 separate parties for the same job at time of referral and sent an email at time of referral sharing that if they would hold Adam financially liable for issues that it would be best for them to acquire someone independent of my recommendation.

Of note:

Simply checking the box for the survey on the offer is questionable on allowing you to get out based on the survey. It's best to have a contingency on survey in "other provisions" or E in the PICRA on a REIN offer.

This document was composed by Adam Garrett & should not be shared with any other agents (with the exception of the principal or managing broker at Garrett Realty Partners) without his expression permission and should not be duplicated.