



BUILDING DEFECTS & PEST REPORT INSPECTION AGREEMENT.

PLEASE READ THESE TERMS AND CONDITIONS CAREFULLY BEFORE PROCEEDING

**Visual building and pest inspection in accordance with
AS 4349.1-2007 Pre-Purchase Inspections - Residential Buildings "Appendix A"
and AS 4349.3-2010 Timber Pest Inspections.**

Before you decide to purchase this property your understanding of the information contained in the Report and its relevant terms, conditions and limitations is very important. We recommend that you read through the report in its **ENTIRETY**. We also recommend that you obtain legal advice prior to acting on the report.

If defects are noted in the report we strongly recommend you contact a relevant licensed tradesperson for further advice on rectification and repair cost estimates prior to settlement. Furnished and occupied properties are difficult to inspect and may conceal defects. A further inspection is recommended by a licensed Building & Pest Inspector when the property is vacated and unfurnished.

This Building Defects and Pest Inspection Report (BDP Report) is produced by a qualified and licensed Building & Pest Inspector.

THE PURPOSE AND SCOPE OF THE INSPECTION

The report is designed to provide the Home Buyer with guidance regarding the condition of the Building & Site at the time of inspection in relation to any structural or major defects and to inform on any activity, either past or present, of timber pests.

The BDP Report aims to help the Home Buyer:

- make an informed decision on whether to go ahead with buying the property; and
- take account of any repairs or replacements the property needs; and
- consider what further advice you should take before committing to purchase the property.

This Report will comment on the Major Defects of the property, any outbuildings (if present), freestanding structures (such as a pergola, garage, carport etc.) and relevant features which include retaining walls, paths, driveways and fences etc, as visually accessible to the parts of the building and/or structures, within 30 metres of the building and within the boundaries of the site.



Major Defect :

“a defect of significant magnitude where rectification has to be carried out in order to avoid unsafe conditions, loss of utility, or further deterioration of the property”

Australian Standard 4349.1 - 2007.

This Report **WILL NOT** comment on any minor defects (unless they represent part of a larger major defect) such as poor/incomplete paintwork, binding doors/windows, minor cracks to plasterboard or cracked floor/wall tiles etc.

In conjunction with any Major Defects, the Inspector will also comment on the following:

- Moderate Defects - a considerable fault or deviation to a building element(s) that requires repair or replacement, or alternatively should be monitored over 12 months for any further deterioration;
- Moisture Issues - plumbing leaks, high moisture readings to walls, drainage issues etc;
- Safety Issues - any defect that has the potential to cause injury or even death;
- Rot & Termite Issues - fungal decay to timber, active and previous termite activity.

The scope and purpose of the pest inspection part of the report is to provide the Home Buyer with an assessment on Timber Pest activity within the Building & Site which are causing significant structural damage or have the potential to cause significant structural damage. These timber destroying pests are described as: Rot or Fungal Decay, Subterranean Termites, and Borers. The report will also include:

- Conditions conducive to Timber Pest infestation in buildings;
- Factors that may allow undetected entry by subterranean termites;
- Recommendations for the reduction of termite risk on the subject property;
- Recommendations for the management of Timber Pests on the subject property.

The report **WILL NOT** comment on non-timber destroying pests such as bed bugs, cockroaches, fleas, spiders, ants or rodents etc. These insects are not defined as timber destroying pests and as such are not included in the report.

The inspection is limited to the Readily Accessible Areas of the Building & Site and is based on a visual examination of surface work (but excluding furniture and stored items), and the carrying out of Tests. The building is to be compared with a building that was constructed in accordance with the generally accepted practice at the time of construction and which has been maintained such that there has been no significant loss of strength and serviceability.

The Report is undertaken and prepared within the limitations and conditions specified in Australian Standards AS 4349.1-2007 Pre-purchase Inspections - Residential Buildings, and AS 4349.3-2010 Timber Pest Inspections.

N.B. With strata and company title properties, the inspection is limited to the interior and the immediate exterior of the particular residence inspected. Common property is not inspected.

IF YOU DECIDE NOT TO ACT ON THE ADVICE GIVEN IN THIS REPORT YOU DO SO AT YOUR OWN RISK.



SPECIAL CONDITIONS

The Inspector reserves the right to reject any request for inspection at the inspector's absolute discretion. In this event, any fees, deposit or other monies paid by the client will be refunded.

The Inspector shall not be liable for failure to perform any duty or obligation that the he/she may have under this agreement, where such failure has been caused by inclement weather, industrial disturbance, and inevitable accident, inability to obtain labour or transportation, or any cause outside the reasonable control of the inspector.

ACCEPTANCE CRITERIA

Unless noted in "Special Conditions or Instructions", the Report assumes that the existing use of the building will continue.

The Report only records the observations and conclusions of the Inspector about the readily observable state of the property at the time of inspection. The Report therefore cannot deal with:

- (a) possible concealment of defects, including but not limited to, defects concealed by lack of accessibility, obstructions such as furniture, wall linings and floor coverings, or by applied finishes such as render and paint; and
- (b) undetectable or latent defects, including but not limited to, defects that may not be apparent at the time of inspection due to seasonal changes, recent or prevailing weather conditions, and whether or not services have been used some time prior to the inspection being carried out.

These matters outlined above in (a) & (b) are excluded from consideration in the Report.

If the Home Buyer has any doubt about the purpose, scope and acceptance criteria on which the Report is to be based please discuss your concerns with the Inspector before making any offer to purchase the property based on the findings in this report.

The Home Buyer acknowledges that, unless stated otherwise, the Home Buyer as a matter of urgency should implement any recommendation or advice given in the Report.

LIMITATIONS

The Home Buyer acknowledges:

- **THIS IS A VISUAL INSPECTION ONLY:** limited to those areas and sections of the property that is fully accessible and visual on the date of this property inspection and at the time of the inspection. The Inspection is NON-INVASIVE in nature unless otherwise agreed to in writing by the property owner prior to the inspection or during the inspection.
- The Report does not include the inspection and assessment of items or matters outside the scope of the requested inspection and report. Other items or matters may be the subject of a special-purpose inspection report, which is adequately specified (see Exclusions below).
- The Report does not include the inspection and assessment of items or matters that do not fall within the Inspector's direct expertise.
- The inspection only covers the Readily Accessible Areas of the property. The inspection does not include areas, which are inaccessible, not readily accessible or obstructed at the time of inspection. Obstructions are defined as any condition or physical limitation which inhibits or prevents inspection and may include – but are not limited to – roofing, fixed ceilings, wall linings, floor coverings, fixtures, fittings, furniture, clothes, stored articles/ materials, thermal insulation, sarking, pipe/duct work, builder's debris, vegetation, pavements or earth.
- Australian Standard AS4349.0-2007 Inspection of Buildings, Part 0: *General Requirements* recognises that a property report is not a warranty or an insurance policy against problems developing with the building in the future.



EXCLUSIONS

The Home Buyer acknowledges that the Report does not cover or deal with:

- any individual Minor Defect (unless it represents part of a larger Major/Moderate Defect);
- solving or providing costs for any rectification or repair work;
- the structural design or adequacy of any element of construction;
- the operation of fireplaces and chimneys;
- any services including building, engineering (electronic), or mechanical;
- lighting or energy efficiency;
- any swimming pools and associated pool equipment or spa baths and spa equipment or the like;
- appliances such as dishwashers, heating/cooling systems, ovens, and ducted vacuum systems;
- occupational, health or safety issues such as asbestos content or the provision of safety glass;
- the use of lead paints or other toxic building materials;
- a review of environmental or health or biological risks such as toxic mould;
- whether the ground on which the building rests has been filled, is liable to subside, swell or shrink, is subject to landslip, earthquakes or tidal inundation, or if it is flood prone; and
- in the case of strata and company title properties, the inspection of common property areas or strata/company records.

RELEVANT DEFINITIONS

Client means the person or persons, for whom the Inspection Report was initially carried out or their Principal (i.e. the person or persons for whom the report is being obtained).

Home Buyer means the person or persons who are interested in purchasing the subject property and thereby have a direct interest in reading and acting upon the findings and recommendations contained within this Report.

Building & Site means the inspection of the nominated residence together with relevant features including any car accommodation, detached laundry, ablution facilities and garden sheds, retaining walls, paths and driveways, steps, fencing, earth, embankments, surface water drainage and stormwater run-off within 30 m of the building, but within the property boundaries. In the case of strata and company title properties, the inspection is limited to the interior and immediate exterior of the nominated residence and does not include inspection of common property.

Inspector means a person, or a person representing a business or company who is qualified and experienced to undertake a pre-purchase inspection in accordance with the Australian Standard AS 4349.1-2007 Pre-Purchase Inspections – Residential Buildings, and AS 4349.3-2010 Timber Pest Inspections. The Inspector must also meet any Government licensing requirement, where applicable.

Major Defect means a defect of significant magnitude where rectification has to be carried out in order to avoid unsafe conditions, loss of utility or further deterioration of the property.

Moderate Defect means a considerable fault or deviation from a building element(s) that requires repair or replacement, or alternatively should be monitored over the following 12 months for further deterioration.

Readily Accessible Areas means areas which can be easily and safely inspected without injury to person or property, are up to 3.6 metres above ground or floor levels or accessible from a 3.6 metre ladder, in roof spaces where the minimum area of accessibility is not less than 600 mm high by 600 mm wide and subfloor spaces where the minimum area of accessibility is not less than 400 mm high by 600 mm wide, providing the spaces or areas permit entry. Or where these clearances are not available, areas within the Inspectors unobstructed line of sight and within arms length.

Structure means the load bearing part of the building, comprising the Primary Elements.



Structural Damage means a significant impairment to the integrity of the whole or part of the Structure falling into one or more of the following categories:

- (a) Structural Cracking and Movement – major (full depth) cracking forming in Primary Elements resulting from differential movement between or within the elements of construction, such as foundations, footings, floors, walls and roofs.
- (b) Deformation – an abnormal change of shape of Primary Elements resulting from the application of load(s).
- (c) Dampness – the presence of moisture within the building, which is causing or has the potential to cause consequential damage to Primary Elements.
- (d) Structural Timber Pest Damage – structural failure, i.e. an obvious weak spot, deformation or even collapse of timber Primary Elements resulting from attack by one or more of the following wood destroying agents: chemical delignification; fungal decay; wood borers; and termites.

Conditions Conducive to Structural Damage means noticeable building deficiencies or environmental factors that may contribute to the occurrence of Structural Damage.

Primary Elements means those parts of the building providing the basic load bearing capacity to the Structure, such as foundations, footings, floor framing, load bearing walls, beams or columns. The term 'Primary Elements' also includes other structural building elements including: those that provide a level of personal protection such as handrails; floor-to-floor access such as stairways; and the structural flooring of the building such as floorboards.

Safety Hazard means any item that may cause injury or constitute an immediate or imminent risk to life, health or property. Occupational, health and safety or any other consequence of these hazards has not been assessed.

Tests means where appropriate the carrying out of tests using the following procedures and instruments:

- Dampness Tests means additional attention to the visual examination was given to those accessible areas which the inspector's experience has shown to be particularly susceptible to damp problems. Instrument testing using an electronic moisture detecting meter of those areas and other visible accessible elements of construction showing evidence of dampness was performed.
- Physical Tests means the following physical actions undertaken by the Inspector: opening and shutting of doors, windows and draws; operation of taps; water testing of shower recesses; and the tapping of tiles and wall plaster.

This report has also been compiled on the following basis and provided subject to the following terms, conditions and limitations:

1. **We / Us / Our** means the person or entity who or which is contracted to provide the Building and Pest Inspection Report.
2. **THIS IS A VISUAL INSPECTION ONLY** limited to those areas and sections of the property fully accessible and visible to the Inspector on the date of Inspection. The inspection **DID NOT** include breaking apart, dismantling, removing or moving objects including, but not limited to, foliage, mouldings, roof insulation/sisalation, floor or wall coverings, sidings, ceilings, floors, furnishings, appliances or personal possessions. The inspector **CAN NOT** see inside walls, between floors, inside skillion roofing, behind stored goods in cupboards and other areas that are concealed or obstructed. The inspector **DID NOT** dig, gouge, force or perform any other invasive procedures. The inspection shall comprise a visual assessment as outlined in AS4349.1-2007 or AS4349.3-2010 for all structures within 30 metres of the building and within the site boundaries including fences.



3. The report will not comment on whether any improvements or renovations that have been carried out to the property are compliant with today's local Building Codes. Any safety issues with this property raised in the report are the responsibility of the Client or successful purchaser to rectify.
4. This report does not comment on compliance with local authority approvals given for the property. Relevant legal advice and appropriate searches should be undertaken.
5. That we have been appointed solely to conduct a visual inspection of accessible areas of the property only on the day and to provide an evaluation in respect thereof, in relation to matters contained in the Report within. The Home Buyer acknowledges that it is impossible to comment as to the condition of those parts of the property not inspected.
6. We hereby represent and warrant to the Client and Home Buyer that we shall use our best endeavours to accurately report on the items listed in the Report within, but cannot be held responsible for any latent defects affecting the property which may arise in time, defects which may arise due to neglect, misuse of the property, or defects arising from normal wear and tear, after the inspection has occurred.

7. Consumer Complaints Procedure

In the event of any dispute or claim arising out of, or relating to the Inspection or the Report, or any alleged negligent act or omission on Our part or on the part of the individual conducting the Inspection, either party may give written Notice of the dispute or claim to the other party. If the dispute is not resolved within fourteen (14) days from the service of the written Notice then either party may refer the dispute or claim to a mediator nominated by Us. The cost shall be met equally by both parties or as agreed as part of the mediated settlement. Should the dispute or claim not be resolved by mediation then one or other of the parties may refer the dispute or claim to the Institute of Arbitrators and Mediators of Australia who will appoint an Arbitrator who will resolve the dispute by arbitration. The Arbitrator will also determine what costs each of the parties are to pay.

8. No inducements, representations, warranties or guarantees have been made by us to the Client or his/her representatives in respect of the services provided.

9. We do not and have not expressed any opinion regarding the market value, sale price or purchase price of the property, or have made any representation in respect thereof.

10. Estimating Disclaimer

Any verbal estimates provided are merely opinions of possible costs that could be encountered, based on the knowledge and experience of the inspector, and are not estimates in the sense of being a calculation of the likely costs to be incurred. The estimates are **NOT** a guarantee or quotation for work to be carried out. The actual cost is ultimately dependent upon the materials used, standard of work carried out, and what a contractor is prepared to do the work for. It is recommended in **ALL** instances that multiple independent quotes are sourced prior to any work being carried out.

11. Inaccessible areas

The Inspector is limited to areas of inspection with reasonable access and visibility. Areas concealed, hidden or considered unsafe at the time of inspection were **NOT** inspected. For example: inside flat roofing, behind furniture, stored goods, under pavers, beneath ground level, appliances, personal possessions, insulation, sarking or behind wall linings, under floor coverings, roof voids and subfloor voids without purpose built entry points, without a safe crawl space in subfloor areas, 600mm x 600mm in a roof space or areas inaccessible from a 3.6m ladder. Access limitations may include legal right of entry, locked doors, security systems, pets, furniture or other obstructions. Physical access limitations may include height, narrow boundary clearance, and thick vegetation. The report shall identify any area or item within the scope of the inspection that was not inspected and the factor that prevented inspection.



Areas where reasonable entry is denied to the inspector or where safe and reasonable access is not available may be the subject of an additional inspection upon request following the provision of or reasonable entry and access. No liability shall be accepted on an account of failure of this Report to notify any problems in the area(s) or section(s) of the property physically inaccessible for inspection, or to which access for Inspection is denied by or to the Inspector.

12. If the property to be inspected is occupied then you must be aware that furnishings or household items may be concealing evidence of problems, which may only be revealed when the items are moved or removed. Where the Report says the property is occupied we recommend that the property is re-inspected when vacant, prior to completion of the sales contract.

13. Due to the weather conditions at the time of inspection some areas may perform differently or show signs/defects that were not readily obvious or visible on the day and it may therefore be impossible to accurately comment on operational capabilities.

14. Where the property is a strata or similar title, the inspector will only inspect the interior and immediate exterior of the particular unit requested to be inspected as detailed in Appendix F in AS4349.3-2010. This report does not comment on structures in common areas or under the care/management of a body corporate or similar body, therefore it is advised that the client obtain an inspection of common areas prior to any decision to purchase. We always recommend that body corporate minutes/records be obtained and read carefully.

15. No inspection for mould (mildew and non-wood decay fungi) was carried out at the property and no report on the presence or absence of mould is provided. If mould is suspected or noted as present within the property or if you notice mould and you are concerned as to its possible health risks then you should seek further advice from your local Council, State or Commonwealth health department.

16. Indemnity

You indemnify Us from any and all claims, actions, proceedings, judgements, damages, losses, interest, costs and expenses of whatever nature that the Person may have at any time hereafter arising from the unauthorised provision or sale of the Report by You to another Person without Our express permission or without using Our agreed delivery system.

17. Any photos used in this report should be taken as an indication only, as there are always limitations with photography due to elements such as exposure and lighting that can affect the final outcome.

18. The **CLIENT and HOME BUYER** acknowledges the limitations on the Timber Pest Inspector. The Client must allow adequate time to arrange access, carry out the inspection and prepare the Report. The Home Buyer must acknowledge that the Timber Pest Inspector's ability to access the property may be dependent upon the Vendor and others such as the Selling Agent, Property Manager and the occupants.

19. The **CLIENT and HOME BUYER** acknowledge that **TIMBER PEST INFESTATION RISK IS NEVER ZERO**. Even buildings and properties that have low risk of Timber Pest infestation can still be attacked and damaged by Timber Pests. Attack of buildings by Timber Pests is normal and not uncommon. It is normal for properties to have evidence of attack by Timber Pests. The management of Timber Pests is a routine maintenance issue for buildings.



20. **Condition descriptions** are meant as a guide only:

GOOD – Brand new or in excellent condition with no signs of wear and tear.

GOOD TO FAIR – General condition for a used material or item, showing signs of wear and tear for its age but not requiring any repairs. Overall, an item may represent this condition description but in a small area may still need repair – which is noted in the report.

FAIR – This description denotes wear and tear due to age and some repairs may be required as necessary.

POOR – This description denotes a problem with the item and immediate repairs are required and/or replacement as necessary.

Repair at will means repairs are required but form part of an on-going maintenance policy to the building.

Repairs required means that work should be carried out as soon as possible to rectify the problem.

21. Categories for cracking in masonry:

CAT 1 – Fine cracks < 1mm that do not need repair.

CAT 2 – Cracks < 5mm are noticeable but easily filled.

CAT 3 – Cracks > 5mm and < 15mm can be repaired and possibly a small amount of wall will need to be replaced.

CAT 4 – Cracks > 15mm and ≤ 25mm. Extensive repair work involving breaking out and replacing sections of walls, especially over doors/windows. Walls/doors are distorted/lean or bulge.

22. We may recommend other types of inspections that are out of our areas of expertise. These inspections must also be carried out prior to acceptance of the contract and prior to the exchange of such contract. If you do not follow these recommendations then You agree you may suffer a financial loss and you indemnify us, the inspector/s, from these losses as you have failed to act on this reports advice.

23. This report is only valid for 60 days from the date of the inspection. **After this date the contents of this report should not be relied upon and a further inspection is strongly recommended prior to making any financial offer to purchase the property.** At an additional cost of \$125 and only after a further inspection of the property has been carried out, the Report may be extended for a further 60 days. This extension can only be provided if it occurs within 7 days of the end of the first 60 day period. The extension is not limited in offer to the Client or initiating party and therefore can be requested by any interested party/individual or agent.

