



Northern House Inspections PRE PURCHASE BUILDING & TIMBER PEST INSPECTION AGREEMENT

Report / Agreement Number:

Client / Purchaser:

Client Address:

Client Ph:

Client Email:

Property to be inspected:

TYPE OF PROPOSED INSPECTIONS ORDERED BY YOU: To avoid any misunderstanding as to the type of inspection We will carry out and as to the scope of the resulting report You should immediately read, and electronically accept and return a scanned copy of this agreement to Us. If You fail to return the copy to Us and do not cancel the requested inspection then You agree that this document forms the agreement between You and Us. We will carry out the inspection and report as ordered by You in accordance with this agreement and You agree to pay for the inspection and report prior to the delivery of the report. In ordering the inspection, You agree that the inspection will be carried out in accordance with the following clauses, which define the scope and limitations of the inspection and the report.

Part A: AS4349.1-2007 Pre-Purchase Inspections

Inspection & Report: As requested by the *Client*, the inspection carried out by the *Building Consultant* ("the Consultant") was a "Pre-Purchase Standard Property Report".

The inspection will be of the Building Elements as outlined in Appendix C of AS4349.1-2007 except for Strata title properties where the inspection will be according to Appendix B of AS4349.1-2007.

A copy of the appropriate Standard with Appendices may be obtained from Standards Australia.

We will carry out the inspection and report ordered by You in accordance with this agreement and You agree to pay for the inspection on or before delivery of the report.

In ordering the inspection, You agree that the inspection will be carried out in accordance with the following clauses, which define the scope and limitations of the inspection and the report.

SCOPE OF THE INSPECTION & THE REPORT

1. The Inspection will be carried out in accordance with AS4349.1-2007. The purpose of this inspection is to provide advice to the Client regarding the condition of the Building & Site at the time of inspection. The inspection and reporting is limited to Appendix C of AS4349.1-2007.
2. The report **does** not include an estimate of the cost for rectification of the Defects. The overall condition of this building has been compared to similarly constructed and reasonably maintained buildings of approximately the same age. Areas for Inspection shall cover all safe and accessible areas.
3. The inspection shall comprise a visual assessment of the items listed in Appendix C to AS4349.1-2007 for the structures within 30 metres of the building and within the site boundaries including fences.
4. Subject to safe and reasonable access (See Definitions below) the Inspection will normally report on the condition of each of the following areas: -The interior
 - The roof void

- The exterior
- The subfloor
- The roof exterior

5. This Report only covers or deals with any evidence of: Structural Damage; Conditions Conducive to Structural Damage; any Major Defect in the condition of Secondary Elements and Finishing Elements; collective (but not individual) Minor Defects; and any Serious Safety Hazard discernible at the time of inspection. The inspection is limited to the Readily Accessible Areas of the Building & Site and is based on a visual examination of surface work (excluding furniture and stored items), and the carrying out of Tests.

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

6. Where a Major Defect has been identified, the inspector will give an opinion as to why it is a Major defect and specify its location.

LIMITATIONS

7. The Inspector will conduct a non-invasive visual inspection which will be limited to those accessible areas and sections of the property to which Safe and Reasonable Access (see Definitions below) is both available and permitted on the date and time of the inspection. Areas where reasonable entry is denied to the inspector, or where safe and reasonable access is not available, are excluded from and do not form part of, the inspection. Those areas may be the subject of an additional inspection upon request following the provision or reasonable entry and access.

8. The Inspection WILL NOT involve any invasive inspection including cutting, breaking apart, dismantling, removing or moving objects including, but not limited to, roofing, wall and ceiling sheeting, ducting, foliage, mouldings, debris, roof insulation, sarking, sisalation, floor or wall coverings, sidings, fixtures, floors, pavers, furnishings, appliances or personal possessions.

9. The Inspection and Report compares the inspected building with a building constructed to the generally accepted practice at the time and which has been maintained, so there has been no significant loss of strength and permanence.

10. The Inspection excludes the inside of walls, between floors, inside skillion roofing, inside the eaves, behind stored goods in cupboards, and other areas that are concealed or obstructed. The inspector WILL NOT dig, gouge, force or perform any other invasive procedures.

11. The Report is not a certificate of compliance that the property complies with the requirements of any Act, regulation, ordinance, local law or by-law, or as a warranty or an insurance policy against problems developing with the building in the future.

12. If Timber Pest Damage is found then it will be reported. The inspector will only report on the damage which is visible.

13. **ASBESTOS:-No inspection for asbestos will be carried out at the property and no report on the presence or absence of asbestos will be provided.** If during the course of the Inspection asbestos or materials containing asbestos happened to be noticed then this may be noted in the general remarks section of the report. If asbestos is noted as present within the property then you agree to seek advice from a qualified asbestos removal expert as to the amount and importance of the asbestos present and the cost sealing or of removal.

14. **MOULD (MILDEW) AND NON-WOOD DECAY FUNGI DISCLAIMER:** No inspection or report will be made for Mould (Mildew) and non-wood decay fungi.

15. **MAGNESITE FLOORING DISCLAIMER:** No inspection for Magnesite Flooring was carried out at the property and no report on the presence or absence of Magnesite Flooring is provided. You should ask the owner whether Magnesite Flooring is present and/or seek advice from a Structural Engineer.

16. **ESTIMATING DISCLAIMER:** Any estimates provided in the Report 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 inspector accepts no liability for any estimates provided throughout this report where they occur you agree to obtain and rely on independent quotations for the same work.

17. 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.
18. The Inspection Will not cover or report the items listed in Appendix D to AS4349.1-2007.
19. Where the property is a strata or similar title, only the interior and immediate exterior of the specified dwelling will be inspected by the inspector. The inspection will be as outlined in AS 4349.1-2007 Appendix B. Therefore it is advised that the client obtain an inspection of common areas prior to any decision to purchase.
20. The Inspection and Report WILL NOT report on any defects which may not be apparent due to prevailing weather conditions at the time of the inspection. Such defects may only become apparent in differing weather conditions.
21. You agree that We cannot accept any liability for Our failure to report a defect that was concealed by the owner of the building being inspected and You agree to indemnify Us for any failure to find such concealed defects.
22. Where Our report recommends another type of inspection including an invasive inspection and report then You should have such an inspection carried out prior to the exchange of contracts or end of cooling-off period. If You fail to follow Our recommendations then You agree and accept that You may suffer a financial loss and indemnify Us against all losses that You incur resulting from Your failure to act on Our advice.
23. The Report is prepared and presented, unless stated otherwise, under the assumption that the existing use of the building will continue as a Residential Property.

PART B: AS4349.3-2010 Timber Pest Inspection

Inspection and Report: In the case of Pre-purchase Timber Pest Inspections and all Timber Pest Inspections the inspection will be in accord with the requirements of Australian Standard AS 4349.3-2010 Inspection of buildings Part 3: Timber pest inspections. The purpose of the inspection is to provide advice about the condition of the property concerning timber pest activity as outlined in the Scope of this Agreement.

In the case of Termite Inspections the inspection will be carried out in accord with AS 3660.2-2000 Termite management Part 2: In and around existing buildings and structures.

A copy of these Australian Standards may be obtained from Standards Australia.

Termite Inspections in accord with AS 3660.2-2000 Termite management Part 2 are not recommended for pre-purchase inspections. AS 3660.2-2000 states this and says that the standard that should be used is AS 4349.3- 2010. However, if You request only a Pre-purchase Termite Inspection then the inspection will be in accord with AS 3660.2-2000 and not AS 4349.3-2010.

All inspections (whether in accord with AS 4349.3-2010 or AS 3660.2-2000) will be a non-invasive visual inspection and will be limited to those areas and sections of the property to which Reasonable Access (see definitions below) is both available and permitted on the date and time of Inspection.

The inspector may use a probe or screwdriver to tap and sound some timbers and may use a sharp knife to carry out some 'splinter testing' on structural timbers in the sub-floor and/or roof void. Splinter testing WILL NOT be carried out where the inspection is being carried out for a Client who is a purchaser and not the owner of the property being inspected. The inspector may use a moisture meter to check moisture levels in walls that back onto wet areas such as showers etc. Other than these areas the moisture meter will not be used on other surfaces except where the visual inspection indicates that there may be a need to further test the area.

The inspection WILL NOT involve any invasive inspection including cutting, breaking apart, dismantlement, removing or moving objects including, but not limited to, roofing, wall and ceiling sheeting, ducting, foliage, mouldings, debris, roof insulation, sarking, sisalation, floor or wall coverings, sidings, fixtures, floors, pavers, furnishings, appliances or personal possessions.

The inspector CANNOT see or inspect inside walls, between floors, inside skillion roofing, inside the eaves, behind stored goods in cupboards, in other areas that are concealed or obstructed. Insulation in the roof void may conceal the ceiling timbers and make inspection of the area unsafe. The inspector WILL NOT dig, gouge, force or perform any other invasive procedures. An invasive inspection will not be performed unless a separate contract is entered into.

If the property to be inspected is occupied then You should be aware that furnishings or household items may be concealing evidence of Timber Pests, which may only be revealed when the items are moved or removed. In some case the concealment

may be deliberate. If You are the purchaser and not the owner of the property to be inspected then You should obtain a statement from the owner as to any timber pest activity or damage to the property known to them and what, if any, treatments have been carried out to the property. It is important to obtain copies of any paperwork issued and the details of any repairs carried out. Ideally the information obtained should be given to the inspector prior to the inspection being conducted.

SCOPE OF THE INSPECTION & REPORT

1. In the case of Pre-purchase Timber Pest Inspections or Timber Pest Inspections in accord with AS 4349.3- 2010 the Inspection and resulting Report will be confined to reporting on the discovery, or non-discovery, of infestation and/or damage caused by subterranean and damp wood termites (white ants), borers of seasoned timber and wood decay fungi (rot), present on the date and time of the Inspection.
2. In the case of all Termite Inspections in accord with AS 3660.2-2000 inspections the Inspection and resulting Report will be confined to reporting on the discovery, or non-discovery, of infestation and/or damage caused by subterranean and damp wood termites (white ants) present on the date and time of the Inspection. Borers of seasoned timber will not be reported on. Wood decay fungi (rot) will not be reported on but may be reported as a conducive condition for termite activity.
3. In both cases the Inspection will not cover any other pests and the Report will not comment on them. Dry wood termites (Family: KALOTERMITIDAE) and European House Borer (*Hylotrupes bujulus Linnaeus*) will be excluded from the Inspection.
4. The inspection will report any evidence of a termite treatment that happens to be found. Where evidence of a treatment is reported then the Client should assume that the treatment was applied as a curative and not as a preventative. You should obtain a statement from the owner as to any treatments that have been carried out to the property. It is important to obtain copies of any paperwork issued.
5. **MOULD:** Mildew and non-wood decay fungi are commonly known as Mould and is not considered a Timber Pest but may be an indicator of poor ventilation or the presence of termites, wood decay or water leaks. Mould and their spores may cause health problems or allergic reactions such as asthma and dermatitis in some people.

LIMITATIONS

6. Nothing contained in the Report will imply that any inaccessible or partly inaccessible area(s) or section(s) of the property are not, or have not been, infested by termites or timber pests. Accordingly the Report will not guarantee that an infestation and/or damage does not exist in any inaccessible or partly inaccessible areas or sections of the property. Nor can it guarantee that future infestation of Timber Pests will not occur or be found.
7. 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.

DETERMINING EXTENT OF DAMAGE

8. The Report will not and cannot state the extent of any timber pest damage. If any evidence of Timber Pest activity and/or damage resulting from Timber Pest activity is reported either in the structure(s) or the grounds of the property, then-You must assume that there may be some structural or concealed damage within the building(s). An invasive Timber Pest Inspection (for which a separate contract is required) should be carried out and You should arrange for a qualified person such as a Builder, Engineer, or Architect to carry out a structural inspection and to determine the full extent of the damage and the extent of repairs that may be required.
9. If Timber Pest activity and/or damage are found, within the structures or the grounds of the property, then damage may exist in concealed areas, e.g. framing timbers. In this case an invasive inspection is strongly recommended. Damage may only be found when wall linings, cladding or insulation are removed to reveal previously concealed timber. You agree that neither We nor the individual conducting the Inspection is responsible or liable for the repair of any damage whether disclosed by the report or not.

COMPLAINTS PROCEDURE

In the event of any dispute or claim arising out of, or relating to the Inspection or the Report, You must notify Us as soon as possible of the dispute or claim by email, fax or mail. You must allow Us (which includes persons nominated by Us) to visit the property (which visit must occur within twenty eight (28) days of your notification to Us) and give Us full access in order that We

may fully investigate the complaint. You will be provided with a written response to your dispute or claim within twenty eight (28) days of the date of the inspection.

If You are not satisfied with our response You must within twenty one (21) days of Your receipt of Our written response refer the matter to a Mediator nominated by Us from the Institute of Arbitrators and Mediators of Australia. The cost of the Mediator will be borne equally by both parties or as agreed as part of the mediated settlement.

Should the dispute or claim not be resolved by mediation then the dispute or claim will proceed to arbitration. The Institute of Arbitrators and Mediators of Australia will appoint an Arbitrator who will hear and resolve the dispute. The arbitration, subject to any directions of Arbitrator, will proceed in the following manner:

- (a) The parties must submit all written submissions and evidence to the Arbitrator within twenty one (21) days of the appointment of the Arbitrator; and
- (b) The arbitration will be held within twenty one (21) days of the Arbitrator receiving the written submissions.

The Arbitrator will make a decision determining the dispute or claim within twenty one (21) of the final day of the arbitration. The Arbitrator may, as part of his determination, determine what costs, if any, each of the parties are to pay and the time by which the parties must be paid any settlement or costs.

The decision of the Arbitrator is final and binding on both parties. Should the Arbitrator order either party to pay any settlement amount or costs to the other party but not specify a time for payment then such payment shall be made within twenty one (21) days of the order.

In the event You do not comply with the above Complaints Procedure and commence litigation against Us then You agree to fully indemnify Us against any awards, costs, legal fees and expenses incurred by Us in having your litigation set aside or adjourned to permit the foregoing Complaints Procedure to complete.

Purchaser Initials: _____

THIRD PARTIES

Compensation will only be payable for losses arising in contract or tort sustained by the Client named on the front of this report. Any third party acting or relying on this Report, in whole or in part, does so entirely at their own risk. However, if ordered by a Real Estate Agent or a Vendor for the purpose of auctioning a property then the Inspection Report may be ordered up to seven (7) days prior to the auction, copies may be given out prior to the auction and the Report will have a life of 14 days during which time it may be transferred to the purchaser. Providing the purchaser agrees to the terms of this agreement then they may rely on the report subject to the terms and conditions of this agreement and the Report itself.

Note: In the ACT under the Civil Law (Sale of Residential Property) Act 2003 and Regulations the report resulting from this inspection may be passed to the purchaser as part of the sale process providing it is carried out not more than three months prior to listing and is not more than six months old.

Prohibition on the Provision or Sale of the Report

The Report may not be sold or provided to any other Person without Our express written permission, unless the Client is authorised to do so by Legislation. If We give our permission it may be subject to conditions such as payment of a further fee by the other Person and agreement from the other Person to comply with this clause. However, We may sell the Report to any other Person although there is no obligation for Us to do so.

Release

You release Us from any and all claims, actions, proceedings, judgments, 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 a Person without Our express written permission.

Indemnity

You indemnify Us in respect of any and all liability, including all claims, actions, proceedings, judgments, damages, losses, interest, costs and expenses of any nature, which may be incurred by, brought, made or recovered against Us arising directly or indirectly from the unauthorised provision or sale of the Report by You to a Person without Our express written permission.

DEFINITIONS:

You should read and understand the following definitions of words used in this Agreement and the Report. This will help You understand what is involved in a property and building inspection, the difficulties faced by the inspector and the contents of the Report which We will provide You following the Inspection.

Acceptance Criteria: The Building shall be compared with a building which was constructed at approximately the same time, using practices which were generally accepted as normal for that time and that the property has received maintenance to ensure that the intended strength and serviceability of the building have not significantly deteriorated over time.

Access hole (cover) means a hole in the structure allowing safe entry to an area.

Accessible area is any area of the property and structures allowing the inspector safe and reasonable access within the scope of the inspection.

Active means live timber pests were sighted during the inspection.

Building Element means a part of a building performing a particular function either singularly or in conjunction with other such parts.

Client means the person(s) or other legal entity for which the inspection is to be carried out. If ordered by the person(s)'s agent then it is agreed that the agent represents the person(s) and has the authority to act for and on their behalf. (See also "You/Your" below)

Defect means a variation or fault in material or a component or assembled element that deviates from its intended appearance or function.

High moisture readings means a reading on a moisture meter that is higher than the norm for other parts of the structure. Such high reading should be investigated by invasive means as the presence could indicate a leak or may indicate timber pest activity and damage.

Inactive means that no active (see definition above) timber pests were detected but evidence such as workings, damage, mudding or exit holes is found at the time of the inspection.

NOTE: Where visual evidence of inactive termite workings and/or damage is located, it is possible that termites may still be active in the immediate vicinity and the termites may continue to cause further damage. It is not possible, without benefit of further investigation and inspections over a period of time, to ascertain whether any infestation is active or inactive.

Inspector means the company, partnership or individual named below that You have requested to carry out a Building Inspection and Report. (See also "Our/Us/We" below.)

Limitation means any factor that prevents full achievement of the purpose of the inspection.

Major defect means a defect of such significance that without correction would not avoid Safety Concerns, loss of the intended practical performance of the building element or an additional decline in the existing condition of the property inspected.

Minor defect means a defect which is not a Major Defect.

Person means any individual, company, partnership or association who is not a Client.

Property means the structures and boundaries up to thirty (30m) metres from the exterior walls of the main building but within the boundaries of the land on which the main building is erected.

Report means the document and any attachments issued to You by Us following Our inspection of the property.

Structural Inspection means the inspection shall comprise visual assessment of accessible areas of the property to identify major defects to the building structure and to form an opinion regarding the general condition of the structure of the property. The Report will not include those items noted in Clause A3 of AS 4349.1-2007 e.g. Condition of roof coverings, partition walls, cabinetry, doors, trims, fencing, minor structures, ceiling linings, windows, non-structural & serviceability damp issues, rising damp, condensation etc.

Safe and Reasonable Access does not include the use of destructive or invasive inspection methods or moving furniture or stored goods. The Standard AS4349.1-2007 provides information concerning safe and reasonable access:

Only areas where reasonable and safe access was available were inspected. Access will not be available where there are safety concerns, or obstructions, or the space available is less than the following:

Roof Void – the dimensions of the access hole must be at least 500mm x 400mm, and, reachable by a 3.6M ladder, and, there is at least 600mm x 600mm of space to crawl;

Roof Exterior – must be accessible by a 3.6M ladder placed at ground level.

Reasonable access does not include the use of destructive or invasive inspection methods. Nor does reasonable access include cutting or making access traps, or moving heavy furniture or stored goods.

Safe Access - Is at the inspector's discretion and will take into account conditions existing on the property at the time of the inspection.

Subfloor - Access is normally not available where dimensions are less than 500mm x 400mm for the access hole and less than 400mm of crawl space beneath the lowest bearer, or, less than 500mm beneath the lowest part of any concrete floor;

Termites means subterranean and damp wood termites (white ants) and does not include Dry wood termites.

Our/Us/We means the company, partnership or individual named below that You have requested to carry out the property inspection and report.

You/Your means the party identified on the face page of this agreement as the Client, and where more than one party all such parties jointly and severally, together with any agent of that party.

You agree that in signing this agreement You have read and understand the contents of this agreement and that the inspection will be carried out in accordance with this document. You agree to pay for the inspection on delivery of the report.

If You fail to sign and return a copy of this agreement to Us and do not cancel the requested inspection then You agree that You have read and understand the contents of this agreement and that We will carry out the inspection on the basis of this agreement and that We can rely on this agreement.

Note: Additional inspection requirements requested by You may incur additional expense in regard to the cost of the inspection.

Are there Special Requirements / Conditions requested by the Client/Client's Representative regarding the Inspection and Report: No-

Cost of the Building Report including any requested Special Requirements/Conditions:

Name:

on this day the

by

Signature: _____ & Initial on page 5

Please email this document back to: info@northernhouseinspections.com.au

Signed for and on behalf of Northern House Inspections on this day the by

Michael Linklater



SAMPLE AGREEMENT