

Building Inspectors Adelaide Pty Ltd

PRE-ENGAGEMENT INSPECTION AGREEMENT

PRE-PURCHASE STANDARD PROPERTY INSPECTION REPORT (Building Inspection)

The purpose of the inspection is to provide advice to the Client regarding the condition of the Building & Site at the time of inspection. As per Australian Standards AS 4349.0 & AS 4349.1

BUSINESS: Building Inspectors Adelaide Pty Ltd

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ABN:40397639001

CLIENT NAME: as stated in the quote

PROPERTY ADDRESS TO BE INSPECTED: as stated in the quote

STATEMENT OF CLIENT - Please read the following Terms and Conditions carefully.

The Client requests the Consultant, **Building Inspectors Adelaide Pty Ltd**, to inspect the property and provide a Property Inspection Report in accordance with the terms and conditions below. The Client acknowledges that they have read and understood and agree to all the terms and conditions contained in this Pre-Engagement Inspection Agreement, as set out below in the Pre-Purchase Building Inspection Terms and Conditions.

PAYMENT OF SERVICES - The Client agrees to pay **Building Inspectors Adelaide Pty Ltd** the full fee as negotiated at time of booking the inspection with the consultant plus **GST** for the inspection/s prior to the report or any verbal information in relation to the report being given to the client.

CANCELLATION FEES - Cancellation fees will apply if the inspection is cancelled by the client or client's representatives within a 24 hour period prior to the confirmed inspection date. **All cancellations must be received in writing by Building Inspectors Adelaide 48 hours prior to the scheduled inspection date and time.**

ACCEPTANCE OF THE PRE ENGAGEMENT INSPECTION AGREEMENT – PLEASE NOTE: If you do not agree with part or the whole of this agreement you are required to email us at info@buildinginspectorsadelaide.com.au within 24hrs prior to your inspection booking time to advise. If you do not advise us by email of your non-acceptance to the agreement prior to Building Inspectors Adelaide Pty Ltd undertaking the inspection on your behalf you will be deemed to have accepted the Pre-engagement Inspection Agreement.

TYPE OF PROPOSED INSPECTION ORDERED BY YOU:

Inspection & 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 Building Inspectors Adelaide Pty Ltd at your cost by phoning 1300 599 624 or by email info@buildinginspectorsadelaide.com.au or 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. You agree that in accepting 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.

If you fail to advise us in writing of your non-acceptance to this agreement 24 hours prior to the inspection taking place 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.

SCOPE OF THE INSPECTION & THE REPORT

1. The purpose of the inspection: in accordance with AS4349.1-2007 is to provide advice to a prospective purchaser regarding the condition of the property at the date and time of inspection. Areas for Inspection shall cover all safe and accessible areas.

2. The scope of the inspection: 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.

- The inspection comprises a visual assessment of the property to identify major defects and to form an opinion regarding the general condition of the property at the time of inspection.

The following areas **shall be** inspected where applicable:

- **The interior** of the building: ceilings; walls; floors; windows; doors & frames; kitchen; bathroom; WC; ensuite; laundry; stairs & damp problems
- **The exterior** of the building: walls (including lintels, claddings, doors & windows); timber or steel frames & structures; chimneys; stairs; balconies, verandas, patios, decks, suspended concrete floors, balustrades
- **The roof exterior:** roof (including tiles, shingles & slates, roof sheeting, gables, flashings); skylights, vents, flues; valleys; guttering; downpipes; eaves, fascia's and barges
- **The roof space:** roof covering; roof framing; sarking; party walls; insulation

- **The sub-floor** space: timber floor (including supports, floor, ventilation, drainage, damp); suspended concrete floors
- **The property** within 30m of the house and within the boundaries of the site: car accommodation, detached laundry, ablution facilities and garden sheds; retaining walls (where supporting other structures and landscaping retaining walls > 700mm high); paths & driveways; steps; fencing (general & swimming pool); surface water (drainage effectiveness) high); paths & driveways; steps; fencing (general & swimming pool); surface water (drainage effectiveness)

3. 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
- The property

4. The inspector will report individually on Major Defects and Safety Hazards evident and visible **on the date and time of the inspection**. The report will also provide a general assessment of the property and collectively comment on Minor Defects which would form a normal part of property maintenance.

5. 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

6. 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.

7. 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, isolation, floor or wall coverings, sidings, fixtures, floors, pavers, furnishings, appliances or personal possessions.

8. The Inspection and Report compares the inspected building 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 durability.

9. 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.

10. 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.

11. The Inspection **WILL NOT** look for or report on Timber Pest Activity. You should have an inspection carried out in accordance with AS 4349.3-1998 Timber Pest Inspections, by a fully qualified, licensed and insured Timber Pest Inspector.

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. 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.

16. 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 you, agree to:

a) Obtain a statement from the owner as to

- I. any Timber Pest activity or damage;
- II. timber repairs or other repairs
- III. alterations or other problems to the property known to them
- IV. any other work carried out to the property including Timber Pest treatments
- V. obtain copies of any paperwork issued and the details of all work carried out

b) Indemnify the Inspector from any loss incurred by you relating to the items listed in clause a) above where no such statement is obtained.

17. The Inspection **WILL NOT** cover or report the items listed in Appendix D to AS4349.1-2007. The inspection report is not a certificate of compliance of the property within the requirements of any Act, regulation, ordinance, local law or by-law and is not a warranty against problems developing with the building in the future.

The Inspection **WILL NOT** cover as listed below:

- Parts of a building that are under construction
- The inspection is not intended to include rigorous assessment of all building elements in a property
- Defects that would only be apparent under particular weather conditions or when using particular fittings & fixtures
- Defects not apparent due to occupancy or occupancy behaviour e.g. non-Use of a leaking shower
- Unauthorized building work or of work not compliant with building regulations
- Title and ownership matters, matters concerning easements, covenants, restrictions, zoning certificates and all other law-related matters

The Inspection **WILL NOT** cover or report the items listed in Appendix D to AS4349.1-2007: Footings below ground, concealed damp-proof course, electrical installations, operation of smoke detectors, light switches and fittings, TV, sound and communication and security systems, concealed plumbing, adequacy of roof drainage as installed, gas fittings and fixtures, air conditioning, automatic garage door mechanisms, swimming pools and associated filtration and similar equipment, the operation of fireplaces and solid fuel heaters, including chimneys and flues, alarm systems, intercom systems, soft floor coverings, electrical appliances including dishwashers, incinerators, ovens, ducted vacuum systems, paint coatings except external protective coatings, health hazards e.g., allergies, soil toxicity, lead content, radon, presence of asbestos or urea formaldehyde), timber and metal framing sizes and adequacy, concealed tie downs and bracing, timber pest activity, other mechanical or electrical equipment (such as gates, inclinators), soil conditions, control joints, sustainable development provisions, concealed framing-timbers or any areas concealed by wall linings or sidings, landscaping, rubbish, floor cover, furniture and accessories, stored items, insulation, environmental matters e.g. BASIX, water tanks, BCA environmental provisions, energy efficiency, lighting efficiency.

The Report **WILL NOT** include those items noted in Clause A3 of AS 4349.1-2007 as follows
(a) Any non-structural element, e.g., roof plumbing and roof covering, general gas, water and sanitary plumbing, electrical wiring, partition walls, cabinetry, windows, doors, trims, fencing, minor structures, non-structural damp issues, ceiling linings, floor coverings, decorative finishes such as plastering, painting, tiling, etc.

(b) An assessment of any aspect or component of the property that cannot be seen or that requires testing and/or measurement to determine soundness.

(c) Any area or item that was not, or could not be, observed by the inspector.

(d) General maintenance other than that which is deemed to be directly related to the ongoing structural performance of the property.

(e) Serviceability damp defects such as condensation, rising damp, lateral damp, falling damp should only be assessed and reported on where structural damage has occurred, is occurring, or may occur (e.g., fungal rot) significant spalling of masonry or concrete structural elements, significant fretting or mortar, rusting of primary structural elements. Stormwater drainage and surface water defects commonly cause or exacerbate foundation instability and these issues should be assessed and reported on where relevant.

18. 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 B in AS4349.1-2007. Therefore it is advised that the client obtain an inspection of common areas prior to any decision to purchase.

19. 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.

20. 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.

21. 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.

22. 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.

GENERALLY

23. In the event of a dispute or a claim arising out of, or relating to the inspection or the report, or any alleged negligent act, error or omission on our part or on the part of the inspector 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 twenty one (21) days from the service of the written Notice then either party may refer the dispute or claim to an independent mediator nominated by us. The cost shall be met equally by both parties or as agreed as part of the mediation 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.

24. THIRD PARTY DISCLAIMER:

We will not be liable for any loss, damage, cost or expense, whatsoever, suffered or incurred by any Person other than You in connection with the Use of the Inspection Report provided pursuant to this agreement by that Person for any purpose or in any way, including the Use of this report for any purpose connected with the sale, purchase, or Use of the Property or the giving of security over the Property, to the extent permissible by law. The only Person to whom we may be liable and to whom losses arising in contract or tort sustained may be payable by us is the Client named on the face page of this Agreement.

25. 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.

26. 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.

27. 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 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.

Access hole (cover) means an opening in the structure to allow for safe entry to carry out an inspection.

Accessible area means an area of the site where sufficient safe and reasonable access is available to allow inspection within the scope of the inspection.

Building Element means a portion of a building that, by itself or in combination with other such parts, fulfils a characteristic function.

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 fault or deviation from the intended condition of the material, assembly or component.

Inspector means the person or organisation responsible for carrying out the inspection. (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 sufficient magnitude where rectification has to be carried out in order to avoid unsafe conditions, loss of utility or further deterioration of the property.

Minor defect means a defect other than a Major defect.

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

Property means the structures and boundaries etc 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.

Safe and Reasonable Access does not include the Use of destructive or invasive inspection methods or moving furniture or stored goods. The Standard defines the extent of safe and reasonable access as follows: "The extent of accessible areas shall be determined by the inspector at the time of inspection, based on the conditions encountered at the time of the inspection. The inspector shall also determine whether sufficient space is available to allow safe access. The inspection shall include only accessible areas and areas that are within the inspector's line of sight and close enough to enable reasonable appraisal." It also defines access to areas as defined in *the Table below*.

Access Table from AS 4349.1-2007

Roof Interior - Access hole - 400 mm x 500 mm - Crawl space - Min 600mm x 600mm - Ceiling height From a 3.6m ladder off a level platform and only if it is safe to do so

Roof Exterior - Ceiling height - From a 3.6m ladder off a level platform and only if it is safe to do so

Subfloor- Access hole - Subject to Inspector's discretion as to safe and reasonable access - Crawl space - Subject to Inspector's discretion as to safe and reasonable access - Ceiling height - Subject to Inspector's discretion as to safe and reasonable access

Table Notes:

1. Reasonable access does not include the cutting of access holes or the removal of screws and bolts or any other fastenings or sealants to access covers.

2. Sub floor areas sprayed with Chemicals should not be inspected unless it is safe to do so.

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

We means Building Inspectors Adelaide Pty Ltd

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.