

INSPECTION: TERMS AND CONDITIONS

Important information: Any person who relies upon the contents of this report does so acknowledging that the following clauses, that define the scope and limitations of the inspection, form an integral part of the report.

SCOPE OF REPORT

1. This report is not an all-encompassing report dealing with the building from every aspect. It is a reasonable attempt to identify any obvious or significant defects apparent at the time of the inspection. Whether or not a defect is significant, depends, to a large extent, upon the age and type of the building inspected. This report is not a certificate of compliance with the requirements of any Act, Regulation, Ordinance or By-law. It is not a structural report. Should you require any advice of a structural nature you should contact a structural engineer.
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 **CANNOT** see inside walls, between floors, inside skillion or raked roofing, behind stored goods in cupboards, or other areas that are concealed or obstructed. The inspector **DID NOT** dig, gouge, force or perform any other invasive procedures. Visible timbers **CANNOT** be destructively probed or hit without the written permission of the property owner.
3. The report is based on the condition of the property and the prevailing structural, soil and weather conditions at the time of the inspection.
4. A Residential Pre-Purchase Property inspection report does not comment on or deal with minor defects and/or imperfections (i.e. a matter that, in view of the age, type and condition of the building being inspected, does not require substantial repairs or urgent attention and rectification).

PROHIBITION ON THE PROVISION OR SALE OF THE REPORT

5. The Report may not be sold or provided to any other Person without Hunter Building Inspection's express written permission, unless the Client is authorised to do so by Legislation. If Hunter Building Inspections gives 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.
6. However, Hunter Building Inspections may sell the Report to any other Person although there is no obligation for Us to do so.
7. The written report contains all information to be relied upon by the client. Verbal reports are not to be relied on in their entirety. The written report supersedes all previous verbal communication between the parties and must be read in full prior to purchase.

NO WARRANTY

8. The property inspection has been carried out in accordance with AUSTRALIAN STANDARD 4349.1-2007. That standard recognises that a Residential Pre-Purchase Report is not a warranty or an insurance policy against problems developing with the building in the future.

CONDITIONS

9. This Residential Pre-Purchase Property Report is conditional upon or conditional in relation to_
 - the assessment of any apparent defect including rising damp and leaks, the detection of which may be subject to prevailing weather conditions;
 - information provided by the person, the employees or agents of the person requesting the report;
 - the specific areas of 'expertise' of the consultant specified in the report;
 - apparent concealment of possible defects; or
 - any other factor limiting the preparation of the report.

ESTIMATING DISCLAIMER:

10. 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 Hunter Building Inspections recommends that you obtain and rely on independent quotations for the same work.

INSPECTION LIMITATIONS

11. 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 as defined in AS4349.0-2007 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.

SETTLEMENT CRACKING.

12. Where settlement cracking or similar is noted in the report, we strongly recommend that the client obtains expert advice from a structural engineer prior to acting on this report.

THIRD PARTIES

13. 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

UNITS/TOWNHOUSES/VILLAS

14. This report does not and cannot make comment upon common property areas, other than the immediate interior and exterior of the unit. Such matters may upon request be covered under the terms of a Special-purpose Property Report.
15. We strongly recommend a strata report be obtained prior to purchasing any unit, townhouse, villa or any structure that is under an owner's corporation title.
16. We have not viewed the approved strata plan. Legal advice should be sought on this matter to determine if the strata plan coincides with what was approved.
17. In relation to fire rating/safety, in new unit blocks ensure the relevant certificates comply, and with older style unit blocks check body

corporate records to ensure the building has been upgraded to current fire safety requirements.

EXCLUSIONS

18. This report does not and cannot make comment upon:

- **defects that may have been concealed.** Some defects may be deliberately concealed by stored items, furniture, floor coverings, etc. Often defects are only revealed when these items are removed. Hunter Building Inspections cannot be held liable for any defects that are concealed at time of inspection;
- **any area(s) or item(s) that could not be inspected by the Inspector** Accordingly this Report is not a guarantee that defects and/or damage does not exist in any inaccessible or partly inaccessible areas or sections of the property. **(NB such matters may upon request, be covered under the terms of a Special-purpose Property Report.);**
- **the assessment or detection of defects** (including rising damp and leaks) which may be subject to the prevailing weather conditions,
- **whether or not services have been used** for some time prior to the inspection and whether this will affect the detection of leaks or other defects (e.g.. *In the case of shower enclosures the absence of any dampness at the time of the inspection does not necessarily mean that the enclosure will not leak;*)
- **whether the ground on which the building rests has been filled, is liable to subside** (whether due to mines or otherwise), is subject to landslip, earthquakes or tidal inundation, or if it is flood prone;

EXCLUSIONS CONTINUED

- the presence or absence of timber pests;
- common property areas,
- fire safety/rating;
- the intended use and/or zoning of the building;
- concealed damp proof course;
- detection and identification of illegal building work;
- timber framing size and adequacy
- concealed tie downs and bracing
- control joints
- footings below ground level
- retaining walls less than 700 mm high
- where magnesite is present, this report makes no comment on the condition or structural adequacy of the concrete slab;
- durability of exposed finishes;
- operation of fireplaces and chimneys;
- garage door opening mechanisms and/or remote controls
- water-heating systems;
- air conditioning and heating systems,
- site drainage (apart from surface water drainage), or adequacy of roof drainage as installed
- concealed plumbing or detection and identification of

illegal plumbing work;

- septic tank(s) and/or any associated pipe work and structures
- gas-fittings
- electrical installation or any other mechanical and/or electrical equipment (e.g. gates inclinators, lifts etc)
- data or phone lines;
- alarm systems and/or security concerns;
- the proximity of the property to flight paths, railways, or busy traffic (unless noted);
- noise levels;
- health and safety issues;
- health hazards (e.g. presence of allergens, toxic soils, lead, radon, asbestos etc)
- sustainable development provisions
- environmental matters (e.g BASIX, water tanks BCA Environmental Provisions)
- energy efficiency
- lighting efficiency
- neighbourhood problems;
- document analysis;
- heritage concerns;
- any matters that are solely regulated by statute

19. **Asbestos: No inspection for asbestos was carried out at the property and no report on the presence or absence of asbestos is provided.**

If during the course of the inspection asbestos or materials containing asbestos happened to be noticed then this may be noted in the report. Buildings built prior to 1982 may have wall and/or ceiling sheeting and other products including roof sheeting that contains asbestos. Even buildings built after this date up until the early 90's may contain some asbestos. Sheeting should be fully sealed. If concerned or if the building was built prior to 1990 you should seek advice from a qualified asbestos removal expert as to the amount and importance of the asbestos present and the cost of sealing or removal. If the asbestos is noted as present within the property then you should seek advice from a qualified asbestos removal expert as to the amount and importance of the asbestos present and the cost of sealing or of removal. Drilling, cutting or removing sheeting or products containing asbestos is a high risk to people's health. You should seek advice from a qualified asbestos removal expert.

20. **Mould (mildew and non-wood decay fungi): No inspection for Mould was carried out at the property and no report on the presence or absence of Mould is provided.**

Mildew and non-wood decay fungi are commonly known as Mould. However, Mould and their spores may cause health problems or allergic reactions such as asthma and dermatitis in some people.

If in the course of the inspection, Mould happened to be noticed it may be noted in the report. If Mould is noted as present within the property or if you notice Mould and you are concerned as to the possible health risk resulting from its presence, then you should seek advice from your local council, State or Commonwealth Government Health Department or a qualified expert such as an Industry Hygienist.

21. **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.

22. **Paint Coatings:**

No inspection of paint coatings was carried out except for external protective coatings.

No inspection for Lead Paint was carried out at the property and no report on the presence or absence of Lead Paint is provided. Older houses are likely to contain lead paint which is a health hazard particularly when removed or sanded. Hunter Building Inspections recommend a paint specialist be consulted to assess paint coatings and the relevant pre-cautionary action be taken.

23. **Acoustics and/or sound proofing: No inspection in regard to acoustics and/or soundproofing was carried out at the property and no report on acoustics and/or soundproofing is provided.**

If concerns regarding noise between units and/or rooms are present, we recommend an acoustic specialist be consulted or contact the builder/developer in regard to materials used for sound proofing.

24. Appliances:

This Report **DOES NOT** comment on adequacy and installation, including any hard wiring, of appliances like ovens, stoves, cooktops, dishwashers, rangehoods, insinkerator, ducted vacuum systems and wall or ceiling fans (we comment on external condition only). No appliances were tested at the time of inspection. We recommend that the purchaser obtain all warranties (if applicable) and operation manuals from the vendor. If these are not available we recommend that the vendor explain all operational procedures prior to purchase.

25. Swimming pools and supporting structures, pool equipment and spas:

The construction and operation of the pool and external spas does not form part of this report. It is suggested you obtain maintenance records and operation manuals from the vendor. We recommend a pool specialist company carry out an inspection prior to purchase.

26. No inspection is carried out on soft furnishings, soft floor coverings, or factory manufactured external fixtures (i.e. curtains, blinds, window coverings, manufactured awnings or similar (including electrical structures), manufactured pergolas or similar, including installation and hard wiring, water features or any part of the house which is not part of the general construction of the house.**27. Waterproofing membranes:** - Where shower recesses, balconies, terraces, roof slabs, planter boxes or any other part of the building which is relying on water proof membranes has been tiled or covered, the company is unable to give an accurate determination as to the effectiveness of the installation of the water proofing membrane, if any.**28. This report makes no comment upon the legal and contractual matters within the contract or between the parties:** - this includes easements, advice regarding other authorities etc.. Expert advice should be sought on these matters.**29. Contractual specifications:** We note that we have not viewed or inspected the building drawings, contract and/or building specifications. We therefore cannot determine whether the standard of finish complies with the contract documentation and specifications. These should be approved by Council. In the absence of these documents we can only inspect the property based on the publication "Acceptable Standards of Domestic Construction" and what is considered good building practice.**NEW DWELLINGS****30.** For a newly constructed dwelling, there is a warranty against defective workmanship and materials. Inquire with the vendor as to the existence of a defects liability period where it is the responsibility of the builder to repair and make good commonly occurring defects. It would be prudent to consult the Office of Fair Trading.**PAYMENT****31.** The inspection fee must be paid in full before the company provides the report**32.** Fees quoted apply for a standard size house (i.e. up to 4 bedrooms, 2.5 bathrooms). Granny Flats or self-contained living areas are not included in the standard price. Additional fees will be agreed by negotiation prior to commencing inspection.**33.** In the event that the applicant wishes to cancel an inspection he/she shall give 24 hours notice. Should the applicant fail to give such notice, Hunter Building Inspections reserves the right to charge a cancellation fee of \$300 or half of the inspection cost.**COMPLIANCE AND REMEDIES****34.** The purchaser should ensure all appropriate Council inspections and relevant certificates (including engineering and occupancy) are completed and in order, and should seek legal advice regarding any deficiencies in this matter.**35.** The purchaser should ensure that records relating to redevelopment and building works, including the company and names of builders, subcontractors, engineers, architects and insurers, and that all council certificates and builders warranties, are kept in case future reference is required.**36.** The purchaser should be aware that under current State and Commonwealth law there are various protection and remedies available should any defects to the building occur or become apparent within certain time limits. Legal advice should be sought on this matter.**CONSUMER COMPLAINTS PROCEDURE.****37.** 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 the part of Hunter Building Inspections 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. 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.**COMPLAINTS PROCEDURE****38.** 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.

DISCLAIMER OF LIABILITY.**39.** No Liability shall be accepted on an account of failure of the Report to notify any problems in the area(s) or section(s) of the subject property physically inaccessible for inspection, or to which access for Inspection is denied by or to the Inspector (including but not limited to, any area(s) or section(s) so specified by the Report).