

Dear Sir/Madam:

The Australian Standard for building inspections 4349.1 -2007 requires that every pre-purchase inspection has a pre-engagement agreement accepted by the home purchaser (or their Solicitor/Conveyancer) before commencement of the inspection. To comply with the standard and insurers requirements, read the information below.

If in agreement, click “Reply” with the words “I accept” in the body of the email for commencement of the order.

Building 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 Standards Australia (www.saiglobal.com/shop) at Your cost.

Upon receipt of Your acceptance of this agreement, the Building Inspection Provider service will carry out the inspection and report ordered by You in accordance with this agreement and You agree to pay for the inspection and the report 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 the inspection 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 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.
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
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, sisalation, 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 "Building" 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.
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. CONSUMER 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 Arbitrator 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 cost, 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, cost, legal fees and expenses incurred by Us in having your litigation set aside or adjourned to permit the foregoing Complaints Procedure to complete"

24. DISCLAIMER OF LIABILITY TO 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 and the Report itself.

Note: In the ACT under the Civil Law (Sale of Residential Property) Act 2003 and Civil Law (Sale of Residential Property) Regulations 2004 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.

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.

28. 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 the 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 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

Area	Access hole	Crawl space	Height
Roof interior	400mm x 500mm	Crawl space: 600mm x 600mm	Accessible from a 3.6m ladder
Subfloor	500 x 400mm	Vertical clearance: Timber Floor 400mm to bearer, joist or other obstruction. Concrete floor: 500mm	
Roof Exterior			Accessible from a 3.6m ladder placed on the ground.

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

Our/Us/We means the provider inspection service allocated Your order. You/Your means the party identified on this agreement as the Client, and where more than one party all such parties jointly and severally, together with any agent of that party.

UNDERSTANDING.

29. If there is anything in this agreement that You do not understand then, prior to the commencement of the inspection, You must contact Us by phone or in person and have Us explain and clarify the matter to your satisfaction. Your failure to contact Us means that You have read this agreement and do fully understand the contents.

30. You agree that in clicking on the "I accept" button 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 or before delivery of the report.

31. If You fail to click on the "I accept" button 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: Refer to the order.

Cost of the Report including any requested Special Requirements/Conditions: As per quote.

Regards,

**QBS Group Pty Ltd
Building Consultancy Licence: BC860
T/A Prestige Building Inspections-North Shore**