

Pre Purchase-Timber Pest Inspection Agreement

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, sign and return the white 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 on 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.

INSPECTION.

1. 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.

2.In the case of Termite Inspections the inspection will be carried out in accord with AS 3660.2-2000 Termite management Part2: In and around existing buildings and structures.

3. A copy of these Australian Standards may be obtained from RAPID Solutions at Your cost by phoning (02) 4954 3655 or from Standards Australia.

4. Termite Inspections only are not recommended for pre-purchase inspections as other timber pest matters may be present that require to be brought to your attention prior to purchasing a property. 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.

5. 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.

6. 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.

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 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.

9. 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.

10. 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 dampwood termites (white ants), borers of seasoned timber and wood decay fungi (rot), present on the date and time of the Inspection.

11. 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 dampwood 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.

12. 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.

13. 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.

14. MOULD: Mildew and non wood decay fungi is 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.

15. 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 <u>not guarantee</u> 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.

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.

DETERMINING EXTENT OF DAMAGE.

17. 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.

18. 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.

19. 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 the 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 etermination, 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.

THIRD PARTIES.

20. 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.

DEFINITIONS.

21. 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 Timber Pest Inspection or a Termite Inspection, the difficulties faced by an inspector and the contents of the Report with which We will provide You following the inspection.

Client means the person(s) who requests the report. If ordered by the client's Agent then it is agreed that the Agent represents the client and has the authority to act for and on behalf of the client.

High moisture readings means a reading on a moisture meter that is higher that 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. Continued, regular, inspections are essential.

Property means the structures, gardens, trees, fences etc up to thirty (30) metres from the exterior walls of the main building but within the boundaries of the land on which the main building is erected. Unless You specifically order in writing that structures, gardens, trees and fences etc outside the thirty (30) metres from the exterior walls of the main building be inspected no such inspection will be carried out.

REASONABLE ACCESS. Only areas to which reasonable access is available are inspected. The Australian Standard AS 3660 refers to AS 4349.3-2010 which defines reasonable access. Access will <u>not</u> 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;

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;

ROOF EXTERIOR - must be accessible by a 3.6M ladder

The inspector shall determine whether sufficient space is available to allow safe access to confined areas.

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.

Report means the report issued to You by Us following Our inspection of the property.

Termites means subterranean and dampwood 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 lo carry out a timber pest or termite inspection and report.

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

UNDERSTANDING.

22. 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.

23. 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.

24. If You fail to sign and to 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.

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

Signed for and on behalf of Hunter Valley Pest Inspections

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by Malcolm James Wright Signature: