

Building Inspection Hand Over Report Agreement

Inspection and Report: The inspection will be of the Building Elements as outlined in AS4349.0-2007

A copy of the appropriate Standard with Appendices may be obtained from Sai Global at your cost by contacting <http://www.saiglobal.com/>.

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 visual 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 AND THE REPORT

The inspection is a non-intrusive and non-destructive inspection limited to those areas of the building where reasonable access is achievable. The inspection is designed to identify defects and to form an opinion regarding the quality and standard of finish to the property at the time of the inspection. An estimate of the cost of rectification of defects is outside the scope of the Australian Standard and as such outside the scope of this report. We recommend that this report be read in its entirety. If any of the details of the report are unclear or if you require clarification of AS 4349.0-2007 please contact the Inspector.

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.

LIMITATIONS

1. 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.

2. 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.
3. 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 performance
4. 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.
5. 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.
6. The Inspection WILL NOT look for or report on Timber Pest Activity. You should have an inspection carried out in accordance with AS4349.3-2010 Timber Pest Inspections, by a fully qualified, licensed and insured Timber Pest Inspector.
7. If Timber Pest Damage is found then it will be reported. The inspector will only report on the damage which is visible.
8. **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.
9. **MOULD (MILDEW) AND NON-WOOD DECAY FUNGI DISCLAIMER:** No inspection or report will be made for Mould (Mildew) and non-wood decay fungi.
10. **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.
11. **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.

12. The Inspection WILL NOT cover or report the items listed in Appendix D to AS4349.1-2007
13. 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 the differing weather conditions.
14. You agree We cannot accept any liability for Our failure to report a defect that was concealed by the owner/builder of the building being inspected and You agree to indemnify Us for any failure to find such concealed defects.
15. 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 completion of contracts. 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.
16. The Report is prepared and presented, unless stated otherwise, under the assumption that the use of the building will continue as a Residential Property.

COMPLAINTS PROCEDURE

17. 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 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 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.

THIRD PARTIES

18. 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 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 fourteen (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 (3) months prior to listing and is not more than six (6) months old.

19. 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.

20. Release

You release Us from any and all claims, actions, proceedings, judgements, 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.

21. Indemnity

You indemnify Us in respect of any and all liability, including all claims, actions, proceedings, judgements, 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.

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 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.

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 Inspections 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 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.

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 the attached 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 the attached 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.



M.J. & S.L. Prendergast
1840 New England Highway
P.O. Box 267
Kootingal NSW 2352

**PLEASE RETURN THIS 1 PAGE ONLY TO BUILDWISE CERTIFICATION.
THIS SHEET MUST BE SIGNED AND RETURNED BY 1.00PM THE DAY PRIOR TO
THE INSPECTION BOOKING OR THE WORKS WILL NOT BE CARRIED OUT.
This form can be sent by via fax or email.**

Clients Name.....

Clients Address.....

State..... Postcode.....

Phone..... Fax.....

E-mail.....

Property to be inspected

Address.....

Town.....

State..... Postcode.....

I have read the Building Inspection Agreement and agree to the scope of works as per AS – 4349.0
2007

Name.....Signature.....Date.....

Signature of Person Agreeing to pay for the Building Inspection

If you wish your report to be forwarded to any third parties please nominate here:
(solicitor / conveyancer, real estate)

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**This Agreement is a legal requirement under the Australian Standard 4349 for Building Inspections
This is not an exclusive contract**

Are there any Specific issues that you wish us to look at and report on?

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Phone : 02 6760 3420

Fax: 02 6760 3493

ABN 15 365 625 274