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Inspections/Consulting/Drafting
Qualified, licensed & experienced professionals.

Pest & Building Report

Report Commissioned By:

Frank Phillips

Property Address:

9 Chapman Street Moss Vale



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Notable Items - Summary

Items observed that require attention are listed under the appropriate subheadings within the body of this report. For ease of reading, some of these items have also been listed here. This list is in no way to be considered complete or comprehensive. Please note, where prices have been given, these are opinions only and are not quotes or even firm estimates. Independent quotations for any notable item should be obtained prior to purchase. **You must read the entire report and not rely solely on this Summary.** The order that the items may appear in this summary is not an indicator of their importance.

BUILDING INSPECTION REPORT Summary

ROOF SYSTEM EXTERNAL

Valleys:

Condition:

The overall condition of the valley metal is fair. Valley metals are rusting and should be treated or replaced as required.

Eaves, Fascias & Barge Boards:

Fascias & Bargeboards Type & Condition:

The overall condition of the fascias/bargeboards is fair. Minor wet rot decay is present to timber fascias and barge boards. The paint work is deteriorating and maintenance is required.

INTERIOR CONDITION REPORT

Ceilings:

Ceiling Condition:

The condition of the ceilings is generally good. Some minor blemishes were present on the ceiling linings.

Walls:

Internal Walls Condition:

The condition of the walls is generally fair. Some minor maintenance is required to internal wall surfaces.

Windows:

Windows Condition:

The condition of the windows is generally fair. Adjustment is required to some windows to ensure smooth operation.

EXTERIOR

Lintels:

Type & Condition:

The lintels are of: Mild steel: Minor rust is evident to the steel in some lintels. This may reduce the service life of the lintels. This should be treated to prevent further deterioration.

Deck:

Defects or Maintenance Items:

The decking timbers have been incorrectly installed, the groves allow water to pond and wet rot decay to develop.

PEST INSPECTION REPORT Summary

TIMBER PEST VISUAL INSPECTION REPORT

TIMBER PEST ACTIVITY OR DAMAGE

Active termites found?

At the time of the inspection no visible evidence of termite activity (live termites) was found in the areas able to be inspected. Please read the entire report.

Visible evidence of subterranean termite workings or damage found?

At the time of inspection no visible evidence of termite activity or damage was found in the areas able to be inspected. Please read the entire report.

Visible evidence of borers of seasoned timbers found?

At the time of the inspection no visible evidence of borer activity or damage was found in the areas able to be inspected. Please read the entire report.

Evidence of damage caused by wood decay (rot) fungi found?

Evidence of damage resulting from wood decay fungi (wood rot) was found. Please read the entire report.

VISUAL PROPERTY INSPECTION REPORT

Client & Site Information:

COMMISSIONED BY: Frank Phillips.

YOUR CONTACT: Frank Phillips.

YOUR REF/FILE NUMBER:

DATE OF INSPECTION: 24th July 2018.

PURCHASER:

PROPERTY ADDRESS: 9 Chapman Street Moss Vale.

Note: *If this report is associated with a contract for sale then you should not be relied upon the findings if the contract becomes binding more than 30 days after the date of initial inspection. A re-inspection after this time is essential.*

Property Description:

Building type: Single storey dwelling.

External walls constructed from: A combination of double and single brick:

Roof Construction: The roof is of pitched and skillion construction.

Roof Covering: Terracotta tiles: Metal decking:

Internal walls covered with: Cement render: Plasterboard:

Internal ceilings covered with: Plasterboard: Fibrous plaster:

Windows are constructed from: Timber:

Footings: The building is constructed on strip footings and piers.

Estimate Building Age: Between 50 and 70 years old. This is only an estimate and must not be relied upon for the purpose of accurately determining the age of the building. Should an accurate age of the building be required, further independent investigations should be made.

Overall Condition of Property

Major Defects in this Building: The incidence of major defects in this building in comparison to the average condition of similar buildings of approximately the same age and construction and that have been reasonably maintained is considered to be:

Typical: The frequency and/or magnitude of major defects are consistent with the inspectors expectations when compared to similar buildings of approximately the same age, construction that have been reasonably well maintained.

Minor Defects in this Building: The incidence of minor defects in this building in comparison to the average condition of similar buildings of approximately the same age and construction and that have been reasonably maintained is considered to be:

Typical: The frequency and/or magnitude of minor defects are consistent with the inspectors expectations when compared to similar buildings of approximately the same age, construction that have been reasonably well maintained.

Overall Condition: A comparison of this and other dwellings of similar age, construction and level of maintenance would rate this building as **average**. There may be areas/elements requiring minor repairs or maintenance.

Important Note: The building rating noted above is only a generalisation taking into account numerous factors and should be read in conjunction with the notable items

and main report.

Important Note: This is only a general overview of the property and must not be relied upon on its own. You MUST read the report in its entirety.

The purpose of this inspection is to provide advice to the Client regarding the overall condition of the property at the time of the inspection. The inspection is a visual assessment only of the property to identify major defects and to form an opinion regarding the condition of the property at the time of inspection.

Any Summary within this Report regardless of its placement in the Report is supplied to allow a quick overview of the inspection results. These Summary items are NOT the Report and cannot be relied upon on their own. Any Summary MUST be read in conjunction with the entire Report and not in isolation from the Report. If there should be any discrepancy between anything in the Report and anything in a Summary, the information in the Report shall override that of the Summary. In any event, should any aspect of this report not be fully understood, you should contact the Inspector BEFORE relying on this Report.

Summary of Areas Inspected:

Details: Roof void: Internal area: Subfloor area: Garage: Carport: External area: Outbuildings:

Note: The areas listed above are a broad indication of the areas inspected. Within these areas, some further restrictions may have been present restricting or preventing our inspection. If any recommendation has been made within this report to gain access to areas, gain further access to areas, or any area has been noted as being at "High Risk" due to limited access, then further access must be gained. We strongly recommend that such access be gained prior to purchase to enable a more complete report to be submitted.

Should there be any areas or elements listed below which were not fully inspected due to access limitations or impairment at the time of inspection, or where recommendations for further access to be gained was made, these areas or elements should be accessed and inspected prior to a decision to purchase being made.

Summary of Areas Not Inspected:

Roof void: Above the eaves:

Summary of Areas where Inspection was Impaired:

Roof void: Various areas of the roof void:

Furnished Properties:

Was the property furnished at the time of inspection? Yes - The property was partly furnished at the time of inspection. Where a property was partly furnished at the time of the inspection then you must understand that the furnishings and stored goods may be concealing evidence defects (from minor defects to potentially significant defects). This evidence may only be revealed when the property is vacated. A further inspection of the vacant property is strongly recommended in this case.

Weather Conditions:

Recent Weather Conditions: Dry.

Weather Conditions on the Day and at the Time of Inspection: Dry.

ROOF SYSTEM EXTERNAL

The following is an opinion of the general quality and condition of the roofing material. The inspector cannot and does not offer an opinion or warranty as to whether the roof leaks or may be subject to future leakage. The only way to determine whether a roof is absolutely water tight is to make observations during prolonged rainfall. If any sections

of the roof were inaccessible due to the method of construction or other factor, further investigations should be carried out prior to purchase.

External Roof:

Roof Style: The roof is of pitched construction.

Roof Covering Condition in Detail: The overall condition of the roof coverings is fair. The mortar bed to the ridge capping is cracked and requires re bedding and pointing.

Flashings:

Roof Flashing - Type and Condition: Flashing material is of lead. Flashings appear to be in serviceable condition. It should be noted that flashings are only viewed from a distance in some areas and sometimes defects are very small and not clearly visible.

Gutters & Downpipes:

Gutters & Downpipes: Appear to be in serviceable condition.

Skillion Roof A:

Position/Location: Rear elevation.

Skillion Roof Covering Status: The overall condition of the skillion roof coverings is fair.

Valleys:

Condition: The overall condition of the valley metal is fair. Valley metals are rusting and should be treated or replaced as required.

Eaves, Fascias & Barge Boards:

Eaves Type & Condition:



The eaves are lined with asbestos cement and/or fibre cement sheeting. The overall condition of the eaves lining is good.

**Fascias & Bargeboards
Type & Condition:**



The overall condition of the fascias/bargeboards is fair. Minor wet rot decay is present to timber fascias and barge boards. The paint work is deteriorating and maintenance is required.

Chimneys:

Condition:

The chimney should be tested and cleaned prior to being put into use.

ROOF SYSTEM INTERNAL

Access Restrictions

Restrictions

A section of the roof is of skillion style construction and in this section there is no accessible cavity present for inspection.

Inspection Restrictions

Restrictions



Inspection over the eaves was restricted due to the low pitch and construction allowing only a limited visual inspection from a distance to be carried out.

A combination of both loose insulation and insulation batts are present in the roof cavity. This significantly restricted inspection to some roofing timbers. As a general rule, loose insulation restricts inspection to more timbers than conventional insulation batts. The combination of both loose and batt style insulation restricts inspection to even more roofing timbers. Removal of insulation is not within the scope of a standard visual timber pest inspection report however, this would be necessary for a more complete report to be submitted.

Insulation is present in the roof cavity. This restricted inspection to some roofing timbers. Removal of insulation is not within the scope of a standard visual timber pest inspection report however, this would be necessary for a more complete report to be submitted.

Defects and or damage requiring rectification may not be apparent to the inspector due to restriction. If restrictions are noted we STRONGLY recommend access be gained to enable a full inspection of the area.

Roof Framing:

Roof Supports - Type and Condition: The cut and pitched roof timbers appear to provide adequate support.

INTERIOR CONDITION REPORT

Inspection Restrictions

Restrictions Both floorcoverings and furnishings were present and restricted inspection within this area.

Access Restrictions

Restrictions Inspection within various cupboards was restricted by stored items.

Defects and or damage requiring rectification may not be apparent to the inspector due to restriction. If restrictions are noted we STRONGLY recommend access be gained to enable a full inspection of the area.

Ceilings:

Ceiling Condition:

The condition of the ceilings is generally good. Some minor blemishes were present on the ceiling linings.

Location/area

Various internal areas.

Walls:

Internal Walls Condition:

The condition of the walls is generally fair. Some minor maintenance is required to internal wall surfaces.

Cracking to Masonry or Concrete Elements:



Cracks are evident. Visible cracking has been categorized as a serviceability defect. Cracking of a building element is a serviceability defect where in the opinion of the inspector the function of the building element is impaired however, the expected consequence of this cracking is unknown until further information is obtained.

Cracking can be expected in a building of this age and construction.

Windows:

Windows Condition:

The condition of the windows is generally fair. Adjustment is required to some windows to ensure smooth operation.

Doors:

Doors Condition:

The condition of the doors is generally fair. Wear & tear was noted to some doors.

Floors:

Floors General Condition:

The condition of the floors is generally fair.

Woodwork:

Woodwork

The condition of the woodwork is generally fair.

WET AREAS

Important Notes: In regard to plumbing or electrical, it should be noted that we are not plumbers or electricians and any comment made is not that of a qualified plumber or electrician. We recommend that a qualified contractor be engaged to make comment on any matter dealing with plumbing or electrical issues.

Kitchen:

Kitchen Fixtures:



The condition of the fixtures is generally good.

Tiles:

The condition of the tiles is generally fair.

Sink & Taps:

The sink & cabinets appear to be in a serviceable condition.

Important Notes: Shower areas (where present) are visually checked for leakage, but leaks often do not show except when the shower is in actual long term use. It is very important to maintain adequate sealing in the bath areas. Very minor imperfections can allow water to get into the wall or floor areas and cause damage. Adequate and proper ongoing maintenance will be required in the future.

In regard to plumbing or electrical, it should be noted that we are not plumbers or electricians and any comment made is not that of a qualified plumber or electrician. We recommend that a qualified contractor be engaged to make comment on any matter dealing with plumbing or electrical issues.

Main Bathroom:

Shower/Bath Condition:

The shower recess was tested and there was no visible water penetration to surrounding areas.

Tiles:

The condition of the tiles is generally good.

Basin & Taps:

The basin & taps appear serviceable.

Vanity Unit:

The condition of the vanity unit is generally good.

Toilet Condition:

The toilet appears to be in working order.

Important Notes: In regard to plumbing or electrical, it should be noted that we are not plumbers or electricians and any comment made is not that of a qualified plumber or electrician. We recommend that a qualified contractor be engaged to make comment on any matter dealing with plumbing or electrical issues.

Laundry:

General condition of area: This area is generally in good condition.

Tub & Taps:



The tub and taps appear serviceable. A tile splash back is not present and should be fitted.

Tiles:

The condition of the tiles is generally good.

Important Notes: In regard to plumbing or electrical, it should be noted that we are not plumbers or electricians and any comment made is not that of a qualified plumber or electrician. We recommend that a qualified contractor be engaged to make comment on any matter dealing with plumbing or electrical issues.

EXTERIOR

Defects and or damage requiring rectification may not be apparent to the inspector due to restriction. If restrictions are noted we STRONGLY recommend access be gained to enable a full inspection of the area.

External Walls:

General Condition:

The condition of the walls is generally good. The mortar joints between brickwork is deteriorating and needs re pointing in areas.

Cracking to Masonry or Concrete Elements:

Cracks are evident. Visible cracking has been categorized as a serviceability defect. Cracking of a building element is a serviceability defect where in the opinion of the inspector the function of the building element is impaired however, the expected consequence of this cracking is unknown until further information is obtained.

Cracking can be expected in a building of this age and construction.

Lintels:

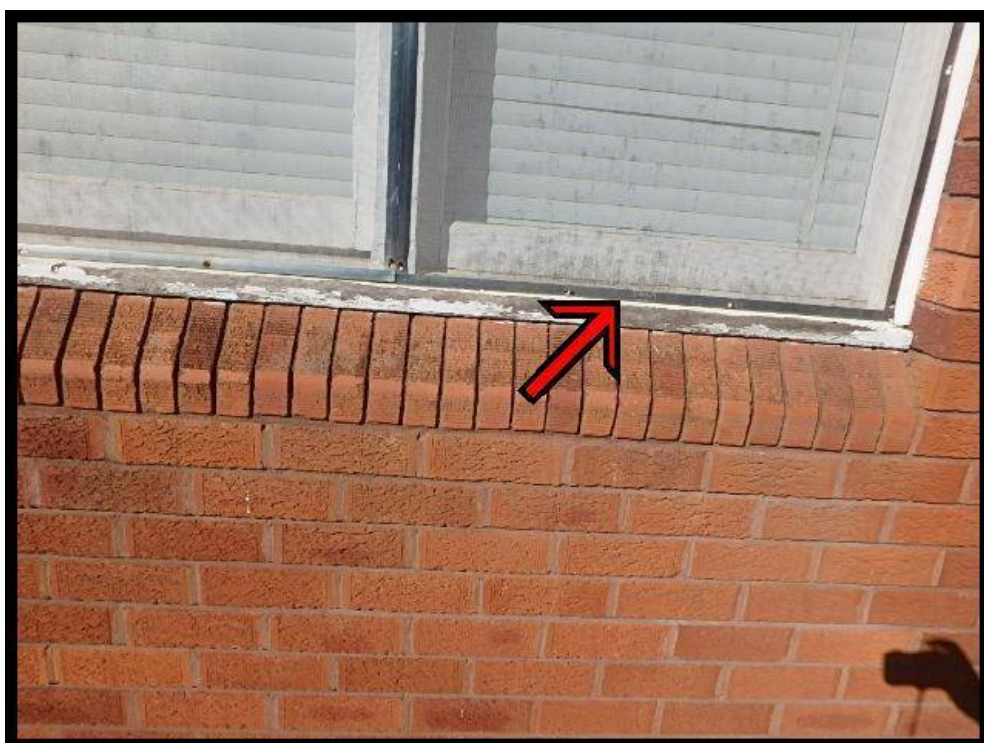
Type & Condition:



The lintels are of: Mild steel: Minor rust is evident to the steel in some lintels. This may reduce the service life of the lintels. This should be treated to prevent further deterioration.

Windows:

Windows Condition:



The condition of the exterior of the windows is generally fair. Paint is peeling off the window frames and maintenance is required.

External Stairs:

Type & Condition:

The stairs are constructed primarily from concrete. The overall condition of the stairs is fair.

Damp Course:

Type & Condition: Aluminium core damp proof coursing material is present and should be considered effective against rising damp unless damaged or bridged.

Verandah:

Position/Location: Front elevation.

Construction & Condition: Constructed from concrete or masonry. The general condition of this structure is fair.

Deck:

Position/Location: Rear elevation.

Construction & Condition: Constructed from timber. The general condition of this structure is fair.

Defects or Maintenance Items:



The decking timbers have been incorrectly installed, the groves allow water to pond and wet rot decay to develop.

SUB FLOOR

Defects and or damage requiring rectification may not be apparent to the inspector due to restriction. If restrictions are noted we STRONGLY recommend access be gained to enable a full inspection of the area.

Ventilation:

Description: Subfloor ventilation appeared to be adequate at the time of inspection.

Footings:

Type & General Condition: The building is constructed on a combination of strip footings and piers. There appears to have been some settlement in the building which has caused some cracking to the walls. This can also cause some doors to bind or be out of square. This settlement is usually due to ground movement and subsequent movement to building materials can be expected. Periodic maintenance will be required. Any cracks should be monitored and if cracks increase in size, further investigation should be carried out by a Structural Engineer.

GARAGING

Garage:

Garage Location: Under the main building.
General Overall Condition: The overall condition of the garage is fair.
External walls constructed from: A combination of double and single brick:
External Wall General Condition: The condition of the walls is generally fair.
Front Doors - Type & Condition The main garage door is a roller shutter style door and is in fair condition.

Carport:

Carport Location:



To the front of the main house.

Roof Construction: The roof is of skillion style construction.
Roof Covering: Corrugated steel:
Roof Covering Condition in Detail: The overall condition of the roof coverings is good.

OUTBUILDINGS

Outbuilding:

Type of Outbuilding: Metal garden shed:

General Condition:



The structure is generally in good condition.

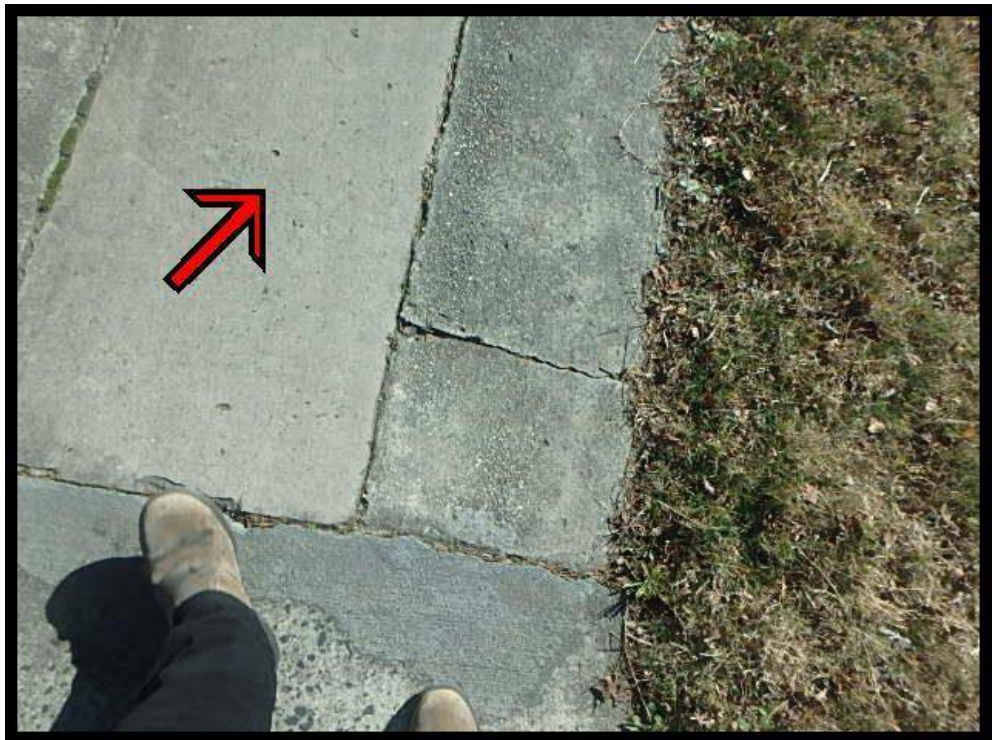
External Wall General Condition:

The condition of the walls is generally good.

SITE

Driveway:

Type & Condition:



The concrete driveway stands in fair condition.

Fences & Gates:

Fences Type & Condition:

The fences are generally in fair condition but some repairs or maintenance is required.

Paths/Paved Areas:

Type & Condition: The concrete paths/paved areas are in fair condition.

The general adequacy of site drainage is not included in the Standard Property Inspection Report. Comments on surface water drainage are limited as where there has been either little or no rainfall for a period of time, surface water drainage may appear to be adequate but then during periods of heavy rain, may be found to be inadequate. Any comments made in this section are relevant only in light of the conditions present at the time of inspection. It is recommended that a Smoke Test be obtained to determine any illegal connections, blocked or broken drains.

SERVICES

Important Notes: In regard to plumbing or electrical, it should be noted that we are not plumbers or electricians and any comment made is not that of a qualified plumber or electrician. We recommend that a qualified contractor be engaged to make comment on any matter dealing with plumbing or electrical issues.

Water Lines & Pressure:

Details: The visible water lines are in copper pipe. Water pressure appears to be normal, however, this is not an opinion of a licensed plumber.

Hot Water Service:

Hot water is provided by the following:



Mains electric hot water system: Mains pressure: Located externally: The hot water system appears to be in working condition. No specific tests other than running the hot water from a tap was carried out. No determination has been made as to the suitability or adequacy of the hot water system in relation to capacity or otherwise.

Asbestos Survey

TERMINOLOGY

TYPES OF DEFECTS:

The Definitions below apply to the TYPES OF DEFECTS associated with individual items/parts or Inspection areas.

Damage - The building material or item has deteriorated or is not fit for its designed purpose.

Distortion, Warping, Twisting - The Item has moved out of shape or moved from its position.

Water Penetration, Dampness - Moisture has gained access to unplanned and/or unacceptable areas.

Material Deterioration - The item is subject to one or more of the following defects; rusting, rotting, corrosion, decay.

Operational - The item or part does not function as expected.

Installation - The installation of an item is unacceptable, has failed or is absent.

RATINGS:

The Definitions (High), (Typical) and (Low) relate to the inspectors opinion of the Overall Condition of the Building:

HIGH (Poor, Below Average) - The frequency and/or magnitude of defects are beyond the inspectors expectations when compared to similar buildings of approximately the same age that have been reasonably well maintained.

TYPICAL (Fair, Average) - The frequency and/or magnitude of defects are consistent with the inspectors expectations when compared to similar buildings of approximately the same age which have been reasonably well maintained.

LOW (Acceptable, Above Average) - The frequency and/or magnitude of defects are lower than the inspectors expectations when compared to similar buildings of approximately the same age that have been reasonably well maintained.

The Definitions (Above Average), (Average) and (Below Average) relate to the inspectors opinion of the Overall Condition of the Building in the context of its age, type and general expectations of similar properties:

ABOVE AVERAGE - The overall condition is above that consistent with dwellings of approximately the same age and construction. Most items and areas are well maintained and show a high standard of workmanship when compared with building of similar age and construction.

AVERAGE - The overall condition is consistent with dwellings of approximately the same age and construction. There may be areas/members requiring repair or maintenance.

BELOW AVERAGE - The Building and its parts show some significant defects and/or very poor non- tradesman like workmanship and/or long term neglect and/or defects requiring major repairs or reconstruction of major building elements.

DEFINITIONS:

Accessible Area - An area on the site where sufficient, safe and reasonable access is available to allow inspection within the scope of the inspection.

Appearance Defect - Where in the inspectors opinion the appearance of the building element has blemished at the time of the inspection and the expected consequence of this cracking is unknown until further information is obtained.

Building element - Portion of a building that, by itself or in combination with other such parts, fulfills a characteristic function.

Major Defect - 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 - A defect other than a major defect.

Safety Hazard - Any observed item that may constitute a present or imminent serious safety hazard.

Serviceability Defect - Where in the inspectors opinion the function of the building element is impaired at the time of the inspection and the expected consequence of this cracking is unknown until further information is obtained.

Site - Allotment of land on which a building stands or is to be erected.

Structural Defect - Where in the inspectors opinion the structural performance of the building element is impaired at the time of the inspection and the expected consequence of this cracking is unknown until further information is obtained.

Note: Also Refer to "Important Advice" section for explanation/advice concerning some terms and or defects that may be contained in this Report.

Note: In the case of strata and company title properties, the inspection is limited to the interior and immediate exterior of the particular unit being inspected. The exterior above ground floor level is not inspected. The complete inspection of other common property areas would be the subject of a Special-Purpose Inspection Report which is adequately specified.

Trees: Where trees are too close to the house this could affect the performance of the footing as the moisture levels change in the ground. A Geotechnical Inspection can determine the foundation material and provide advice on the best course of action with regards to the trees.

The septic tanks: Should be inspected by a licensed plumber.

Swimming Pools: Swimming Pools/Spas are not part of the Standard Building Report under AS4349.1-2007 and are not covered by this Report. We strongly recommend a pool expert should be consulted to examine the pool and the pool equipment and plumbing as well as the requirements to meet the standard for pool fencing. Failure to conduct this inspection and put into place the necessary recommendations could result in finds for non compliance under the legislation.

Surface Water Drainage: The retention of water from surface run off could have an effect on the foundation material which in turn could affect the footings to the house. Best practice is to monitor the flow of surface water and stormwater run off and have the water directed away from the house or to storm water pipes by a licensed plumber/drainier.

Important Information Regarding the Scope and Limitations of the Inspection and this Report

Any person who relies upon the contents of this report does so acknowledging that the following clauses, which define the Scope and Limitations of the inspection, form an integral part of the report.

1. REPORT CONTENTS:

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 considered significant or not depends too 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. VISUAL INSPECTION ONLY:

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 roofing, behind stored goods in cupboards and 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. COMMENTS IN THIS REPORT:

This report does not and cannot make comment upon; defects that may have been concealed; 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 (*eg. 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*); the presence or absence of timber pests; gas-fittings; common property areas; environmental concerns; the proximity of the property to flight paths, railways, or busy traffic; noise levels; health and safety issues; heritage concerns; security concerns; fire protection; site drainage (apart from surface water drainage); swimming pools and spas (non-structural); detection and identification of illegal building work; detection and identification of illegal plumbing work; durability of exposed finishes; neighbourhood problems; document analysis; electrical installation; any matters that are solely regulated by statute; any area(s) or item(s) that could not be inspected by the consultant. 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.)**

4. 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 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.

5. ASBESTOS DISCLAIMER:

"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 **Additional Comments** section of 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 90s may contain some Asbestos. Sheeting should be fully sealed. If concerned or if the building was built prior to 1990 or if 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 removal. Drilling, cutting or removing sheeting or products containing Asbestos is a high risk to peoples health. You should seek advice from a qualified asbestos removal expert."

6. MOULD (Mildew and Non-Wood Decay Fungi) DISCLAIMER:

Mildew and non wood decay fungi is commonly known as Mould. However, Mould and their spores may cause health problems or allergic reactions such as asthma and dermatitis in some people. **No inspection for Mould was carried out at the property and no report on the presence or absence of Mould is provided.** If in the course of the Inspection, Mould happened to be noticed it may be noted in the **Additional Comments** section of 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.

7. 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.

8. ESTIMATING DISCLAIMER:

Any estimates provided in this 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 actual cost is ultimately dependent upon the materials used, standard of work carried out, and what a contractor is prepared to do the work for. It is recommended in ALL instances that multiple independent quotes are sourced prior to any work being carried out. The inspector accepts no liability for any estimates provided throughout this report.

DISCLAIMER OF LIABILITY:

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 or any area(s) or section(s) so specified by the Report).

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 then they may rely on the report subject to the terms and conditions of this agreement and the Report itself.

..... End Of Building Report

TIMBER PEST VISUAL INSPECTION REPORT

IMPORTANT DISCLAIMER

This Brief Summary is supplied to allow a quick and superficial overview of the inspection results. This summary is **NOT** the Report and **cannot be relied upon on its own**.

Where recommendations are made for further access to be gained, or further inspections to be carried out, whether those recommendations are made in this brief summary, the main body of the report or the summary in detail at the end of the report, such access and any further inspection required subsequent to access being gained, or any further inspection recommendations, must be carried out prior to committing to the property in question.

This Summary must be read in conjunction with the full Report and not in isolation from the Report. If there should happen to be any discrepancy between anything in the Summary and anything in the Report then the information in the Report shall override that of this Summary.

For complete and accurate information, please refer to the following report.

ACCESS

Any area(s) to which access should be gained? Other than some areas that are normally inaccessible areas due to construction methods, normal access was gained. Please read the entire report.

TIMBER PEST ACTIVITY OR DAMAGE

Active termites found? At the time of the inspection no visible evidence of termite activity (live termites) was found in the areas able to be inspected. Please read the entire report.

Visible evidence of subterranean termite workings or damage found? At the time of inspection no visible evidence of termite activity or damage was found in the areas able to be inspected. Please read the entire report.

Visible evidence of borers of seasoned timbers found? At the time of the inspection no visible evidence of borer activity or damage was found in the areas able to be inspected. Please read the entire report.

Evidence of damage caused by wood decay (rot) fungi found? **Evidence of damage resulting from wood decay fungi (wood rot) was found. Please read the entire report.**

Important: We strongly recommend the purchaser make their own inquiries from the vendor about any history regarding Timber Pests and in particular Termites for this property.

DESCRIPTION OF STRUCTURE(S) INSPECTED

The property inspected is a Single storey free standing dwelling.

DEGREE OF RISK

The Overall degree of risk to Timber Pest Infestation: The overall degree of risk of Timber Pest Infestation to this property appears to be **Moderate to High** - See notes below.

The Overall degree of risk of Timber Pest Infestation is a subjective assessment by the inspector at the time of the inspection taking into account many factors which include but are in no way limited to location and proximity to bush land and trees, the presence of evidence of timber pest damage or activity close to the inspected structure or within the inspected structure, conducive conditions that raise the potential of timber pest attack such as timbers in contact with soil, inaccessible areas, slab on ground construction etc, or other factors that in the inspectors opinion, raise the risk of future timber pest attack. It should be noted that even if a risk factor is high, this is not meant to deter a purchaser from purchasing the property, it is just to make them aware that increased vigilance is warranted and any recommendations regarding reducing conducive conditions or frequency of inspections should be headed by any

property owner. Often, by reducing or eliminating some of the conducive conditions, the risk factor may be lowered.

FREQUENCY OF FUTURE INSPECTIONS

Future Inspection Frequency: It is recommended that the subject property be fully inspected for timber pest activity and a written report be prepared in accord with AS 4349.3 or AS 3660.2-2000 at a frequency not greater than every 12 Months.

Australian Standards 3660.2-2000 recommends "regular competent inspections should be carried out at least on an annual basis but more frequent inspections are strongly recommended". It goes on to inform that "regular inspections will not prevent termite attack, but may help in the detection of termite activity. Early detection will allow remedial treatment to be commenced sooner and damage to be minimized".

ROOF CAVITY - PEST

Inspection within any accessible roof cavity will normally be limited by a number of factors including the method of construction, low pitched or inaccessible sections, insulating materials, ducting and in some instances, stored items.

Inspection Restrictions

Restrictions Inspection over the eaves was restricted due to the low pitch and construction allowing only a limited visual inspection from a distance to be carried out.

Insulation is present in the roof cavity. This restricted inspection to some roofing timbers. Removal of insulation is not within the scope of a standard visual timber pest inspection report however, this would be necessary for a more complete report to be submitted.

Sarking paper covered tile battens restricting inspection.

Termite Activity

Details No Timber Pest activity was detected to visible and accessible timbers at the time of the inspection.

It should be noted that inspection within this area was limited as noted. This comment regarding the absence of evidence of Timber Pest activity refers to the accessible inspected areas and timbers only.

INTERIOR - PEST

Restrictions

Inspection Restrictions Both floorcoverings and furnishings were present and restricted inspection within this area.

Termite Activity

Details No Timber Pest activity was detected to visible and accessible timbers at the time of the inspection.

It should be noted that inspection within this area was limited as noted. This comment regarding the absence of evidence of Timber Pest activity refers to the accessible inspected areas and timbers only.

SUBFLOOR - PEST

Termite Activity

Details No Timber Pest activity was detected to visible and accessible timbers at the time of the inspection.

Ventilation, particularly to the sub floor region is important in minimising the opportunity for Timber Pests to establish themselves within a property. We claim no expertise in building, however we have assessed the ventilation and noted our opinion below. Where ventilation is stated to be limited, inadequate or we are unable to determine the status of the ventilation due to the lack of access, a builder or other expert should be consulted.

VENTILATION - PEST

Ventilation, particularly to the sub floor region is important in minimising the opportunity for Timber Pests to establish themselves within a property. We claim no expertise in building, however we have assessed the ventilation and noted our opinion below. Where ventilation is stated to be limited, inadequate or we are unable to determine the status of the ventilation due to the lack of access, a builder or other expert should be consulted.

Subfloor Ventilation

Description Subfloor ventilation appears to be adequate at the time of inspection.

EXTERNAL - PEST

Active termites or other timber damaging pests may be present and not detected in areas where inspection was limited, obstructed or access was not gained. See Section 2.0 - Reasonable Access.

Termite Activity

Details No Timber Pest activity was detected to visible and accessible timbers at the time of the inspection.

Wood decay damage found

Description **Yes - Wood decay damage was noted to the following timbers/areas.**

Affected external timbers Fascia timbers: Various external timbers:

Severity Visible timber damage appears minor however, we are not builders and this is not to be considered a builder's opinion. Refer to the definitions section of this report - Section 1.6 - Timber Damage.

FENCES - PEST

Termite Activity

Details No Timber Pest activity was detected to visible and accessible timbers at the time of the inspection.

GARAGING - PEST

Description of garaging

Describe garaging A garage:

Active termites or other timber damaging pests may be present and not detected in areas where inspection was limited, obstructed or access was not gained. See Section 2.0 - Reasonable Access.

Termite Activity

Details No Timber Pest activity was detected to visible and accessible timbers at the time of the inspection.

OUTBUILDINGS - PEST

Description of Outbuildings

List of outbuildings A metal garden shed:

Active termites or other timber damaging pests may be present and not detected in areas where inspection was limited, obstructed or access was not gained. See Section 2.0 - Reasonable Access.

Termite Activity

Details No Timber Pest activity was detected to visible and accessible timbers at the time of the inspection.

EVIDENCE OF TREATMENT - PEST

It is not always easy to determine if a property has been treated for subterranean termites particularly if such a treatment was carried out during construction or the evidence of a treatment has been concealed. Treatments may consist of physical or chemical barriers or a combination of both. This summary of treatment evidence is in no way conclusive. Where no visible evidence of treatment was found, it does not necessarily mean that the property was not or has not been treated. Some signs of treatment are not readily visible during an inspection. Where any evidence of a termite treatment was noted, and the treatment was not carried out by this firm, we can give no assurances with regard to the work performed or other work carried out as a result of timber pest attack. Further enquiries should be made and any documentation obtained to verify work carried out. Where no evidence of a pre construction treatment is noted (or any subsequent treatment), any prospective purchaser should make their own enquiries to determine what protective measures were taken during the construction of the property to protect against termite attack.

Evidence of termite treatment to the property

Description There was no visible evidence of previous termite treatment.

SUMMARY IN DETAIL - PEST

IMPORTANT NOTE

This summary must be read in conjunction with the entire report. Some comments and recommendations may be contained in the body of the report and not in the summary. The information contained in the terms and conditions, the body of the report, the summary and general information form the complete report.

SUMMARY DETAILS:

Evidence of Active Timber Pests: Inspection revealed no evidence of active timber pest infestation to visible areas and visible timbers at this time. It is possible that timber pest damage or activity may exist in concealed timbers or areas and no comment is made in respect to these concealed timbers or areas. All properties are considered at risk of attack by termites. The risk can be reduced if the property is treated in compliance with Australian Standard 3660. The property should be inspected on a regular basis at intervals not exceeding that of the recommendation made in the brief summary at the front of this report.

TREATMENT RECOMMENDATIONS - PEST

Where evidence of termite activity was found during the course of this inspection or other factors present indicate that the property is at a high risk of attack by subterranean termites, the property should be treated in compliance with the Australian Standard 3660.

Please note: Any treatment specification and price (if applicable) is to be used as a guide only and this is not a firm quote. We reserve the right to vary the treatment specifications and price upon review.

In relying upon this report you should read and understand the following important information. It will help explain what is involved in a timber pest inspection, the difficulties faced by a timber pest inspector and why it is not possible to guarantee that a property is free of timber pests. It also details important information about what you can do to help protect your property from timber pest attack. This information forms an integral part of the report.

DEFINITIONS:

For the purpose of this inspection, the definitions below apply;

Active - The presence of live timber pests at the time of inspection.

Inactive - The absence of live timber pests at the time of inspection.

Note: Where visual evidence of inactive termite workings and/or damage is located, it is possible that termites are still active in the immediate vicinity and the termites may continue to cause further damage. It is not possible, without the 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.

Minor - Damage that is surface damage only and does not appear to require any timber replacement or repairs to be carried out.

Moderate - Damage that is more than surface damage but is unlikely to necessitate any timber replacement or repairs to be carried out.

Severe - Damage that appears to be significant and the integrity or serviceability of timbers may be impaired. A builder's opinion must be sought in the case of severe damage.

Timber Damage - Where this report includes comments in relation to the severity of timber damage, it must be understood that this is not a qualified builder's opinion. It is essential that any timber damage be referred to a suitably qualified building professional and obtain a special purpose building report relating to the extent of the timber damage. The full extent of damage may only be revealed by invasive inspection methods including probing and the removal of lining materials. This type of invasive inspection has not been carried out and you should understand that the extent and/or severity of timber damage may be found to increase significantly on such an invasive inspection. The references contained within this report that may refer to the extent of timber damage have only been included to assist in determining treatment specifications and not to quantify the damage and must not be relied upon to determine the costs of repair or replacement.

REASONABLE ACCESS:

Only areas where reasonable access was available were inspected. AS 4349.3 defines reasonable access and states that 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 safely on the ground.

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;

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.

A More Invasive Physical Inspection Is Available And Recommended

As detailed above, there are many limitations to this visual inspection only. With the permission of the owner of the premises we WILL perform a more invasive physical inspection that involves moving or lifting: insulation, stored items, furniture or foliage during the inspection. We WILL physically touch, tap, test and when necessary force/gouge suspected accessible timbers. We WILL gain access to areas, where physically possible and considered practical and necessary, by way of cutting traps and access holes. This style of report is available by ordering with several days notice. Inspection time for this style of report will be greater than for a VISUAL INSPECTION. It involves disruption in the case of an occupied property, and some permanent marking is likely. You must arrange for the written permission of the owner who must acknowledge all the above information and confirm that our firm will not be held liable for any damage caused to the property. A price is available on request.

Important Maintenance Advice regarding Integrated Pest Management (IPM) for Protecting against Timber Pests

Any structure can be attacked by Timber Pests. Periodic maintenance should include measures to minimise possibilities of infestation in and around a property. Factors which may lead to infestation from Timber Pests include situations where the edge of the concrete slab is covered by soil or garden debris, filled areas, areas with less than 400mm clearance, foam insulation at foundations, earth/wood contact, damp areas, leaking pipes, etc; form-work

timbers, scrap timber, tree stumps, mulch, tree branches touching the structure, wood rot, etc. Gardens, pathways or turf abutting or concealing the edge of a concrete slab will allow for concealed entry by timber pests. Any timber in contact with soil such as form-work, scrap timbers or stumps must be removed from under and around the buildings and any leaks repaired. You should endeavour to ensure such conditions DO NOT occur around your property.

We further advise that you engage a professional pest control firm to provide a suitable termite management program in accord with AS 3660 to minimise the risk of termite attack. There is no way of preventing termite attack. Even AS 3660 advises when a complete termite management system is installed in accordance with AS 3660.1-2000 for pre-construction termite work or 3660.2-2000 for post-construction termite work and the Australian Pesticides and Veterinary Medicines Authority (APVMA) product label directions are followed precisely, termites may still bridge the management system. However, if the labels directions are followed and the Standard adhered to, and bridging occurs, evidence of the termite ingress will normally be evident to the inspector. Therefore regular inspections in line with the recommendations in this report are essential in addition to any suitable termite management system you install.

You should read and understand the following important information. It will help explain what is involved in a timber pest inspection, the difficulties faced by a timber pest inspector and why it is not possible to guarantee that a property is free of timber pests. It also details important information about what you can do to help protect your property from timber pests. This information forms an integral part of the report.

CONCRETE SLAB HOMES:

Homes constructed on concrete slabs pose special problems with respect to termite attack. If the edge of the slab is concealed by concrete paths, patios, pavers, garden beds, lawns, foliage, etc then it is possible for termites to affect concealed entry into the property. They can then cause extensive damage to concealed framing timbers. Even the most experienced inspector may be unable to detect their presence due to concealment by wall linings. Only when the termites attack timbers in the roof void, which may in turn be concealed by insulation, can their presence be detected. Where termite damage is located in the roof it should be expected that concealed framing timbers will be extensively damaged. With a concrete slab home it is imperative that you expose the edge of the slab and ensure that foliage and garden beds do not cover the slab edge. Weep holes must be kept free of obstructions. It is strongly recommended that you have a termite inspection in accordance with AS 3660.2 carried out as recommended in this report.

SUBTERRANEAN TERMITES:

No property is safe from termites! Termites are the cause of the greatest economic losses of timber in service in Australia. Independent data compiled by State Forestry shows 1 in every 5 homes is attacked by termites at some stage in its life. More recent data would indicate that this is now as high as 1 in every 3. Australia's subterranean termite species (white ants) are the most destructive timber pests in the world. In fact it can take "as little as 3 months for a termite colony to severely damage almost all the timber in a home".

How Termites Attack your Home. The most destructive species live in large underground nests containing several million timber destroying insects. The problem arises when a nest matures near your home. Your home provides natural shelter and a food source for the termites. The gallery system of a single colony may exploit food sources over as much as one hectare, with individual galleries extending up to 50 metres to enter your home, where there is a smorgasbord of timber to feast upon. Even concrete slabs do not act as a barrier; they can penetrate through cracks in the slab to gain access to your home. They even build mud tubes to gain access to above ground timbers. In rare cases termites may create their nest in the cavity wall of the property without making ground contact. In these cases it may be impossible to determine their presence until extensive timber damage occurs.

Termite Damage; Once in contact with the timber they excavate it often leaving only a thin veneer on the outside. If left undiscovered the economic species can cause many thousands of dollars damage and cost two to five thousand dollars (or more) to treat.

Subterranean Termite Ecology: These termites are social insects usually living in underground nests. Nests may be in trees or in rare instances they may be in above ground areas within the property. They tunnel underground to enter the building and then remain hidden within the timber making it very difficult to locate them. Where timbers are concealed, as in most modern homes, it makes it even more difficult to locate their presence. Especially if gardens have been built up around the home and termite barriers are either not in place or poorly maintained. Termites form nests in all sorts of locations and they are usually not visible. There may be more than one nest on a property. The diet of termites in the natural environment is the various hardwood and softwood species growing throughout Australia. These same timbers are used in buildings. Worker termites move out from their underground nest into surrounding areas where they obtain food and return to nurture the other casts of termites within the nest. Termites are extremely sensitive to temperature, humidity and light and hence cannot move over ground like most insects. They travel in mud encrusted tunnels to the source of food. Detection of termites is usually by locating these mud tunnels rising from the ground into the affected structure. This takes an expert eye. Termite barriers protect a building by forcing termites to show themselves. Termites can build mud tunnels around

termite barriers to reach the timber above. The presence of termite tracks or leads does not necessarily mean that termites have entered the timber though. A clear view of walls and piers and easy access to the sub-floor means that detection should be fairly easy. However many styles of construction do not lend themselves to ready detection of termites. The design of some properties is such that they make the detection by a pest inspector difficult, if not impossible.

The tapping and probing of walls and internal timbers is an adjunct or additional means of detection of termites but is not as reliable as locating tracks. The use of a moisture meter is a useful aid for determining the presence of termites concealed behind thin wall panels, but it only detects high levels of activity. Older damage that has dried out will not be recorded. It may also provide false readings. Termite tracks may be present in the ceiling space however some roofs of a low pitch and with the presence of sisalation, insulation, air conditioning ductwork and hot water services may prevent a full inspection of the timbers in these areas. Therefore since foolproof and absolute certain detection is not possible the use of protective barriers and regular inspections is a necessary step in protecting timbers from termite attack.

BORERS OF SEASONED TIMBERS:

Borers are the larvae of various species of beetles. The adult beetles lay their eggs within the timber. The eggs hatch out into larvae (grubs) which bore through the timber and can cause significant structural damage. The larvae may reside totally concealed within the timber for a period of several years before passing into a dormant pupal stage. Within the pupal case they metamorphose (change) into the adult beetle which cuts a hole in the outer surface of the timber to emerge, mate and lay further eggs to continue the cycle. It is only through the presence of these emergence holes, and the frass formed when the beetles cut the exit holes that their presence can be detected. Where floors are covered by carpets, tiling, or other floor coverings and where no access to the underfloor area is available it is not possible to determine whether borers are present or not. This is particularly the case with the upper floors of a dwelling.

Borers of green unseasoned timber may also be present. However these species will naturally die out as the timbers dry out in service. Whilst some emergence holes may occur in a new property it would be unusual for such a borer to cause structural damage, though the exit holes may be unsightly.

Anobium borer (furniture beetle) and Queensland pine borer: These beetles are responsible for instances of flooring collapse, often triggered by a heavy object being placed on the floor (or a person stepping on the affected area!) Pine timbers are favoured by this beetle and, while the sapwood is preferred, the heartwood is sometimes attacked. Attack by this beetle is usually observed in timbers that have been in service for 10-20 years or more and mostly involves flooring and timber wall panelling. The *frass* from the flight holes (faeces and chewed wood) is fine and gritty. Wood attacked by these borers is often honeycombed.

Lyctus borer (powder post beetle): These borers only attack the sapwood of certain susceptible species of hardwood timber. Since it is a requirement that structural timbers contain no more than 25% Lyctus susceptible sapwood these borers are not normally associated with structural damage. Replacement of affected timbers is not recommended and treatment is not approved. Where decorative timbers are affected the emergence holes may be considered unsightly in which case timber replacement is the only option. Powder post beetles mostly attack during the first 6-12 months of service life of timber. As only the sapwood is destroyed, larger dimensional timbers (such as rafters, bearers and joists) in a house are seldom weakened significantly to cause collapse. In small dimensional timbers (such as tiling and ceiling battens) the sapwood may be extensive, and its destruction may result in collapse. Replacement of these timbers is the only option available.

TIMBER DECAY FUNGI:

The fruiting bodies of wood decay fungi vary in size, shape and colour. The type of fungi encountered by pest controllers usually reside in poorly ventilated subfloors, below wet areas of the home, exterior timbers and in areas that retain water in the soil. The durability and type of timbers are factors along with the temperature and environment. Destruction of affected timbers varies with the symptoms involved. Removal of the moisture source usually alleviates the problem. Fungal decay is attractive to termites and if the problem is not rectified it may well lead to future termite attack.

Important Information:

Any person who relies upon the contents of this report does so acknowledging that the following clauses which define the Scope and Limitations of the inspection form an integral part of the report.

1. VISUAL INSPECTION ONLY:

This is a visual inspection only in accord with the requirements of AS 4349.3 Inspection of buildings Part 3: Timber pest inspections. Visual inspection was limited to those areas and sections of the property to which reasonable access (See Definition) was both available and permitted 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 roofing, inside the eaves, behind stored goods in cupboards, in other areas that are concealed or obstructed. The inspector DID NOT dig, gouge, force or perform any other invasive procedures. An invasive inspection will not be performed unless a separate contract is entered into. In an occupied property it must be understood 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 the case of Strata type properties only the interior of the unit is inspected.

2. SCOPE OF REPORT:

This Report is 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 (hereinafter referred to as "Timber Pests"), present on the date of the Inspection. The Inspection did not cover any other pests and this Report does not comment on them. Dry wood termites (Family: KALOTERMITIDAE) and European House Borer (*Hylotrupes bujulus Linnaeus*) were excluded from the Inspection, but have been reported on if, in the course of the Inspection, any visual evidence of infestation happened to be found. If *Cryptotermes brevis* (West Indian Dry Wood Termite) or *Hylotrupes bujulus Linnaeus* are discovered we are required by law to notify Government Authorities. If reported a special purpose report may be necessary.

3. LIMITATIONS:

Nothing contained in the Report implies that any inaccessible or partly inaccessible areas or sections of the property being inspected by the Inspector on the date of the Inspection were not, or have not been, infested by Timber Pests. Accordingly this Report is not a guarantee that an infestation and/or damage does not exist in any inaccessible or partly inaccessible areas or sections of the property. Nor is it a guarantee that a future infestation of Timber Pests will not occur or be found.

4. DETERMINING Extent of damage:

The Report is NOT a structural damage Report. We claim no expertise in building and any observations or recommendations about timber damage should not be taken as expert opinion and CANNOT be relied upon. 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 concealed structural damage within the building(s). This concealed damage may only be found when wall linings, cladding or insulation is removed to reveal previously concealed timbers. An invasive Timber Pest Inspection (for which a separate contract is required) is strongly recommended 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. 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.

5. MOULD:

Mildew and non wood decay fungi are 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.

6. DISCLAIMER OF LIABILITY:

No liability shall be accepted on account of failure of the Report to notify any Termite activity and/or damage present at or prior to the date of the Report in any areas(s) or section(s) of the subject property physically inaccessible for inspection, or to which access for Inspection is denied by or to the Licensed Inspector (including but not limited to any area(s) or section(s) so specified by the Report).

7. 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 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.

8. 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 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.

----- End Of Report -----