

Building Condition Report – DISCLAIMER

CT Quality Building Inspections Pty Ltd

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

In this Terms and Conditions, unless inconsistent with the context or subject matter, the following terms shall have the following meanings:

- (a) **“Building and Site”** means the main building (or main buildings in the case of a building complex) and all timber structures (such as outbuildings, landscaping, retaining walls, fences, bridges,) and the land within the property boundaries up to a distance of 50 metres from the main building(s).
- (b) **“Consequential Loss”** means:
 - (i) loss of revenue, profit, anticipated profit, goodwill, production, contracts or business opportunity; and
 - (ii) loss or downtime of facilities.
- (c) **“Conditions Conducive”** means noticeable building deficiencies or environmental factors that may contribute to the occurrence of Structural Damage
- (d) **“Client”** means the person requesting the Report and includes that persons agent.
- (e) **“Inspector”** means CT Quality Building Inspections Pty Ltd
- (f) **“Major defect”** means a defect of sufficient magnitude where rectification has to be carried out in order to avoid unsafe conditions, loss of utility or further deterioration of the property.
- (g) **“Minor Defect”** means a defect other than a major defect.
- (h) **“Limitations”** means any factor that prevents full or proper inspection of the building.
- (i) **“Primary Elements”** means those parts of the building providing the basic load bearing capacity to the Building and Site, such as foundations, footings, floor framing, load bearing walls, beams or columns. The term ‘Primary Elements’ also includes other structural building elements including:
 - (i) those that provide a level of personal protection such as handrails; floor-to-floor access such as stairways; and
 - (ii) the structural flooring of the building such as floorboards.
- (j) **“Pre-Inspection Agreement”** means the agreement between the Inspector and the Client.
- (k) **“Readily Accessible Areas”** means areas which can be easily and safely inspected without injury to person or property, are up to 3.6 metres above ground or floor levels, in roof spaces where the minimum area of accessibility is not less than 600 mm high by 600 mm wide and subfloor spaces where the minimum area of accessibility is not less than 400 mm high by 600 mm wide, providing the spaces or areas permit entry. The term 'readily accessible' also includes:
 - (i) accessible subfloor areas on a sloping site where the minimum clearance is not less than 150 mm high, provided that the areas is not more than 2 metres from a point with conforming clearance (i.e. 400 mm high by 600 mm wide); and
 - (ii) areas at the eaves of accessible roof spaces, that are within the consultant's unobstructed line of sight and within arm's length from a point with conforming clearance (i.e. 600 mm high by 600 mm wide)
- (l) **“Report”** means this building condition report.
- (m) **“Serious Safety Hazard”** means any item that may constitute an immediate or imminent risk to life, health or property. Occupational, health and safety or any other consequence of these hazards has not been assessed.
- (n) **“Structural Damage”** means a significant impairment to the integrity of the whole or part of the building falling into one or more of the following categories:
 - (i) Structural cracking and movement – major (full depth) cracking forming in Primary Elements resulting from differential movement between or within the elements of construction, such as foundations, footings, floors, walls and roofs.
 - (ii) Deformation – an abnormal change of shape of Primary Elements resulting from the application of load(s).
 - (iii) Dampness – the presence of moisture within the building, which is causing consequential damage to Primary Elements.

2. TERMS

- (a) This agreement is between the Inspector and the Client. The Client has requested the Inspector to carry out an inspection of your property for the purpose of preparing a Report for you outlining their findings and recommendation from the inspection.
- (b) This Report has been prepared at the direction of and exclusively for the Client. Details contained within this Report are tailored to the Pre-Inspection Agreement between the Inspector and the Client at the time of the Inspection of the property specifically. No other party can rely on the Report nor is the Report intended for any other party.
- (c) If the Pre-Inspection Agreement is not digitally accepted by time of inspection. Then unless told otherwise, it is considered the client has accepted the Pre-Inspection Agreement and these terms, at the time the inspector is on site to conduct the Report.

3. SCOPE OF THE REPORT

- (a) The Report is not an all-encompassing report dealing with the building from every aspect. The purpose of the inspection is to provide the Client with an overview of the Inspector's findings at the time of the inspection and advice as to the nature and extent of their findings. The Report is based on Australian 4349.1-2007. The visual inspection and report does not include information relating to the plumbing, electrical, solar, pests/termites, pools or spas, or carpets or floor coverings. These items are subject to specialist reports in their own right.
- (b) This Report is limited to the findings of the Inspector at the time of the inspection only. Specifically, the roof interior, exterior and subfloor if applicable are excluded from the inspection.
- (c) The Client shall arrange right of entry, facilitate physical entry and supply necessary information to enable the Inspector to undertake the inspection and prepare the Report. The Inspector is not responsible for arranging entry to property or parts of the property, where reasonable access or entry is denied those areas are excluded from and do not form part of the inspection.
- (d) This Report expressly addresses, where visible to the Inspector at the time of inspection, the following ("**Scope of Report**"):
 - (i) Major Defects in the condition of Primary Elements including visual Structural Damage and Conditions Conducive to Structural Damage:
 - A. It is important to note that this is not a building compliance report or an engineering report, major defects observed in this report are in relation to the visual condition rather than structural adequacy.
 - B. Any Major structural defect should be reviewed by the appropriate licensed person to determine its condition and severity.
 - (ii) Any Major Defect in the condition of non-Primary Elements and finishing elements and collective (but not individual) Minor Defects:
 - A. It is important to note that this is not a building compliance report or an engineering report.
 - B. Any Major structural defect should be reviewed by the appropriate licensed person to determine its condition and;
 - (iii) Any Serious Safety Hazard.
- (e) This Report is confined solely to the visual inspection and observations and conclusions of the Inspector subject to reasonable access or height limitations and does not provide any advice or information outside the scope of the Report at the time of the Inspection.
- (f) This Report does not include the inspection and assessment of items or matters that are beyond the Inspectors' direct expertise.

4. INSPECTION LIMITATIONS

- (a) The Client acknowledges and agrees that the Report:
 - (i) is made solely for the use and benefit of the Client named on the front of this report and no liability or responsibility whatsoever, in contract or tort, is accepted to any third party who may rely on the report wholly or in part. Any third party acting or relying on this report whether in whole or in part does so at their own risk. The condition report relates to the Scope of Report and the inspection and report is carried out under Australian Standard 4349.1-2007, where applicable, and is a visual non-intrusive inspection only.
 - (ii) may include photographs which are intended as a courtesy and are added for information. Some are to help clarify where the inspector has been, what was looked at, and the condition of the component at the time of the inspection.
 - (iii) By accepting these terms and conditions, you acknowledge and agree that the Inspector may use the photographs for marketing and/or social media purposes. In return, the Inspector agrees to not disclose any confidential or identifiable information relating to the Client.

- (iv) is limited to areas of the building and property which can be easily and safely inspected without injury to person or property, are up to 3.6 metres above ground or floor levels, in roof spaces where access is readily available and based on the Inspector's visual examination of surface work (excluding furniture and stored items).
- (v) is not a certificate of compliance of the property within the requirements of any Act, regulation, ordinance, local law or by-law and is not a warranty against problems developing in the future.
- (vi) does not include the inspection and assessment of matters outside the Scope of Report.
- (vii) does not extend to matters where the Inspector was restricted or prevented from assessing the building or site as a result of:
 - A. possible concealment of defects, including but not limited to, defects concealed by lack of accessibility, obstructions such as furniture, wall linings and floor coverings, or by applied finishes such as render and paint;
 - B. undetectable or latent defects, including but not limited to, defects that may not be apparent at the time of inspection due to seasonal changes, recent or prevailing weather conditions, and whether or not services have been used some time prior to the inspection being carried out; and
 - C. areas of the building or site that were obstructed at the time of the inspection or not Readily Accessible Areas of the Building and Site. An obstruction may include a condition or physical limitation which inhibits or prevents inspection and may include – but are not limited to – roofing, fixed ceilings, wall linings, floor coverings, fixtures, fittings, furniture, clothes, stored articles/materials, thermal insulation, sarking, pipe/duct work, builder's debris, vegetation, pavements or earth.
- (viii) if carried out on a strata or company title property, the Inspection will be limited to the interior and the immediate exterior of the property inspected. The Inspection does not extend to common property areas and the Inspector will not inspect common property areas.

5. LIMITATION OF LIABILITY

- (a) The Inspector will not, under any circumstances, be liable to the Client, whether directly or indirectly for any third-party claim arising out of the Report.
- (b) The Inspector will not be liable to the Client for any indirect or Consequential Loss, economic loss and/or loss of profit, income, reputation or goodwill.
- (c) The Client acknowledges and agrees that all information in this Report is relevant at the time of this Report only.
- (d) Any liability of the Inspector which may arise under this agreement is limited to 90 days from the date of this Report or to the maximum extent permitted by law.
- (e) Whether express or implied, to the maximum extent permitted by law, in no event will the Inspector, its affiliates, or their officers, directors, employees or their subcontractors be liable in contract or in tort (including negligence of any kind), statute, strict liability, indemnity or otherwise for any form of consequential loss arising out of a third party's reliance either wholly or in part, on this Report. It is important to know that any third party relying on or using this report, in whole or in part does so at their own risk.

6. EXCLUSIONS

- (a) This report excludes assessment of:
 - (i) safety hazards not being Serious Safety Hazards and Major and Minor Defects as defined in AS4349.
 - A. If a safety hazard is identified during the course of the inspection the inspector will note it as a courtesy and if it represents an immediate, urgent and serious hazard to the occupant the occupant and landlord will be collectively notified as soon as possible. However, it is noted that the identification of Safety Hazards is not within the extent of reporting.
 - (ii) footings below ground, concealed damp proof course, electrical installations, concealed plumbing, adequacy of roof drainage, gas fittings and fixtures, air-conditioning, automatic garage doors, pools and related equipment, alarm systems, operation of fireplaces and chimneys, flues and solid fuel heaters, alarm and intercom systems, soft floor coverings, appliances, paint coating, and metal framing size and adequacy, concealed tie downs and bracing, timber pest activity, other mechanical or electrical equipment such as soil conditions, control joints, sustainable development provisions, concealed timber frames, landscaping, rubbish, floor coverings, furniture and accessories, stored items, insulation, environmental matters or lighting and energy efficiency, a review of environmental or health or biological risks such as toxic mould, condition of any sheds, carports, granny flats or similar structures, unless clearly outlined within report or specifically agreed upon prior to inspection. whether the ground on which the building

rests has been filled, is liable to subside, swell or shrink, is subject to landslip or tidal inundation, or if it is flood prone;

- (b) Should the Client seek information from the Inspector related to one of the exclusions above, it is recommended the Client engage a third-party (unless specifically agreed in writing) to conduct any Special-Purpose Inspection Report.

7. WORKPLACE SAFETY

- (a) The Client warrants to the Inspector (including the Inspector's, agents, employees and other personnel) that the Building and Site is, to the Client's reasonable knowledge, safe and free of hazardous materials and that no party of the Building and Site constitutes a dangerous environment or workplace safety concern.

8. ACCEPTANCE CRITERIA

- (a) The Inspector may compare the building being inspected with a similar building, unless specified otherwise in the special conditions or instructions. The similar building which the Inspector may compare the current building to was, to the best of the Inspector's knowledge, constructed in accordance with ordinary building construction and maintenance practices at the time of construction and as such has not encountered significant loss of strength or serviceability.
- (b) The Inspector assumes in their Report that the existing use of the building or site will continue unless specified otherwise in the special conditions or instructions.

9. ACKNOWLEDGMENT

- (a) The Client acknowledges and agrees that (where applicable):
 - (i) the contents of this Report are made in accordance and in line with provisions set out in AS4349.1 – 2007 and is subject to the Scope of Report, Limitations, exclusions and acceptance criteria. This Report does not include recommendations or advice about matters outside the Scope of Report;
 - (ii) the Inspector takes no liability for any items concealed on the property or identifying any items not compliant with an Australian standard, code, regulation or by law and/or structural defects;
 - (iii) should the Client have any queries or concerns about the purposes, scope or acceptance criteria on which this Report was prepared, all enquiries or concerns are to be discussed with the Inspector within a reasonable time upon receipt of this report;
 - (iv) the Client will take all reasonable steps to implement any recommendation or advice provided by the Inspector in their Report as a matter of urgency specified otherwise;
 - (v) any further discussions with the Inspector following the production of this Report addressing concerns will not be reflected in this Report and as such the Report may not contain all advice or information related to the building or site provided by the Inspector;
 - (vi) a visual only inspection restricts the Inspectors capacity to inspect the building or site thoroughly and is not recommended by the Inspector unless an inspection of the Readily Accessible Areas and appropriate tests are also carried out.
 - (vii) in accordance with the Australian Standard AS4349.0 2007 Inspection of Buildings, this Report does not warrant or give insurance that the building or site from developing issues following the date of inspection;
 - (viii) in accordance with the Australian Standard AS4349.1 2007 4.1 General, this Report is based on 'exceptions basis' listing only defects, rather than also reporting on items that are in acceptable condition.
 - (ix) the Inspector is not affiliated with Hello Inspections Pty Ltd ACN 620 518 238 ("Hello Inspections") nor is Hello Inspections liable for the content of the Report prepared by the Inspector or any other third party and the Client hereby indemnifies Hello Inspections from all claims, losses and damage arising, either directly or indirectly, from the Report and the Client accepts this document can be presented to a court as a complete bar to any proceedings by the client or its agents or related parties against Hello Inspections. The Client further acknowledges the Inspector is the agent for Hello Inspections solely for the purposes of this clause.
 - (x) Hello Inspections may reproduce the content within this Report for any commercial purpose, including sale of the Report in whole or in part to third parties, provided personal details or information of the Client contained therein are excluded.
 - (xi) The Northern Territory law governs this document.

10. LIMITATION OF STANDARD (EXTRACT AS4349)

- (a) The report prepared in accordance with this standard is not a certificate of compliance of the property within the requirements of any act, regulation, ordinance, local law, cyclone standard or by law, and is not a warranty against problems developing with the building in the future.
- (b) It is important that the condition report is considered within the context of the following statement taken from the Australian Standards (Clause 3.3):

“A building report should not be seen as an all-encompassing report dealing with a building from every aspect. Rather it should be seen as a reasonable attempt to identify any significant defects visible at the time of the inspection. Whether or not a defect should be regarded as significant, depends to a large extent upon the age and type of building being inspected. It is unrealistic for the consultant to comment on minor defects and imperfections in the standard property report...”
- (c) This is deemed as a Building Condition Report only and is not a **pre purchase structural inspection**.
- (d) This report does not include the identification of unauthorised building work or of work not compliant with building regulations and specifically excludes recently finished buildings and works which are the responsibility of the relevant builder.

11. CONSUMER COMPLAINTS PROCEDURE

- (a) In the event of any controversy or claim arising out of, or relating to this Report, it will be settled by arbitration and either party must give written notice of the dispute to the other party. If the dispute is not resolved within ten (10) days from the service of the notice then the dispute shall be referred to a mediator nominated by the Inspector. Should the dispute not be resolved by mediation then either party may refer the dispute to the Institute of Arbitrators and Mediators of Australia for resolution by arbitration. Any judgements from such arbitration shall be binding upon both parties.
- (b) The Northern Territory law governs this document.

SIGNED FOR AND ON BEHALF OF: CT Quality Building Inspections Pty Ltd (ACN 654 794 653)