PRECISION BUILDING REPORTS

PRECISION FOR PEACE OF MIND

Residential Pre-Sale Building & Pest Report

11 Edward St, North Toowoomba QLD 4350

Report prepared: 04/08/2025

Precision Building Reports

0408155798

reports@iconicbuilding.com.au

35 Wentworth St, Centenary Heights

QLD 4350

QBCC: 1168368

PRE-PURCHASE INSPECTION RESIDENTIAL BUILDING REPORT

Complies with Australian Standard AS 4349.1 – 2007 Inspection of Buildings Part 1:

Pre-Purchase Inspections – Residential Buildings – Appendix "C"

(For use in all States & Northern Territory but not the Australian Capital Territory)

ADMINISTATION DETAILS

Property Address: 11 Edward St, North Toowoomba Qld 4350

AGREEMENT DETAILS

The purpose of the inspection is to identify the major defects and safety hazards associated with the property at the time of the inspection. The inspection and reporting is limited to Appendix C AS4349.1-2007 and to assist the Client to identify and understand any Timber Pest issues observed at the time of inspection.

The report does not include an estimate of the cost for rectification of the Defects. The overall condition of this building has been compared to similarly constructed and reasonably maintained buildings of approximately the same age.

Agreement Number: 00005

Date of Agreement: 17/07/2025

Time of Agreement: 8:34 am

Specific requirements/conditions required by You were:

- Not Applicable

Changes to the inspection agreement requested:

- Not Applicable

Date the changed agreement was accepted:

- Not Applicable

Time the changed agreement was accepted:

- No Changes

NOTE: This report should not be relied upon if the contract for sale becomes binding more than 30 days after the date of initial inspection. A re-inspection after this time is essential.

INSPECTION DETAILS

Date of Inspection: 17/07/2025

Time of Inspection: 10:00 am

Persons in Attendance: Inspector, Real Estate Agent

Approx Age of Building: 1940s

Orientation: East facing

Weather Conditions at time of inspection: Clear

Comments: None

Recent Weather Conditions: Dry

Comments: None

Building Furnished: Yes

Comments: Furnishings, pictures, wall coverings, and personal item storage prevented a full visual inspection of all areas. Conditions can change between the time of inspection and settlement. The client is advised to perform a careful check of all areas during the final walk through. The client is also advised to note any staining or conditions that may not have been visible during the time of inspection. Such conditions should be brought to the attention of the selling agent, vendor and/or the vendors solicitor prior to settlement of this property.

Building Tenancy: Occupied

Comments: None

AREAS INSPECTED AND RESTRICTIONS TO THE INSPECTION

The inspection included: The building and the site including fences up to 30m from the building within the legal boundaries of the site.

The actual areas inspected were:

- The building exterior
- The building interior
- The roof exterior
- The roof interior
- Shed interior
- Shed Exterior
- The site

Restrictions to the inspection

Areas **NOT** inspected including reason(s) were:

- Roof Interior

RECOMMENDATIONS TO GAIN ACCESS AND REINSPECT

The area(s) and/or section(s) to which access should be gained are:

- NIL

FACTORS THAT INFLUENCED THE INSPECTION/REPORT OUTCOME

The limitations were:

- Access to the roof interior due to access size

Details of apparent concealment of possible defects:

- No visual sign of apparent concealment observed

Information provided to the Inspector that has a bearing on the Inspection and/or Report and from whom and when that information was provided:

- There was no additional information provided

Details of Other Factors influencing the inspection:

- None

Description and Identification of the Property Inspected

Type

- Detached House

Style

- Single storey

Construction Type

- Timber weatherboard

Interior

- Cement sheeting (likely Asbestos)

Foundation

- Stump

Flooring (Interior)

- Carpet, tile and timber

Verandahs

- Front/rear

Roofing

- Timber Pitched

Roof Covering

- Steel

Out Structures

- Shed, carport

Other Inspections and Reports Required

It is Strongly Recommended that the following Inspections and Reports be obtained prior to any decision to purchase the Property and/or before settlement. Obtaining these reports will better equip the purchaser to make an informed decision.

- **Asbestos Audit**
- ~~**Methamphetamine Report**~~
- **Local Government Searches**
- **Structural Engineers Report**
- **Plumbing Inspection**
- **Electrical Inspection**

Terminology

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

Important: Strata Title - Where an item in the inspection findings below is noted as being part of the Common Area, the item is outside the Scope of this Report. It is strongly recommended that an Inspection and Report on these areas be obtained prior to any decision to purchase the Property and/or before settlement. Obtaining these reports will better equip the purchaser to make an informed decision.

INSPECTION FINDINGS & SUMMARY OF MAJOR DEFECTS

The following areas were inspected where present and within the scope of the inspection.

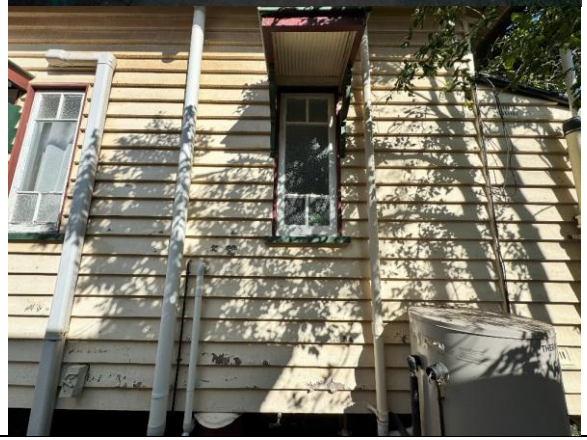
1. Interior
2. Exterior
3. Roof Interior
4. Roof Exterior
5. The Site including out buildings

1. INTERIOR OF BUILDING

NIL – Major Defects Identified

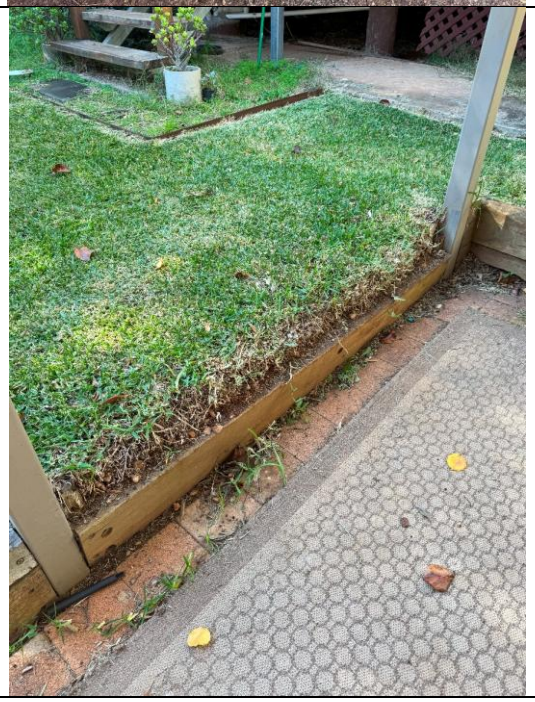
2. EXTRIOR OF BUILDING

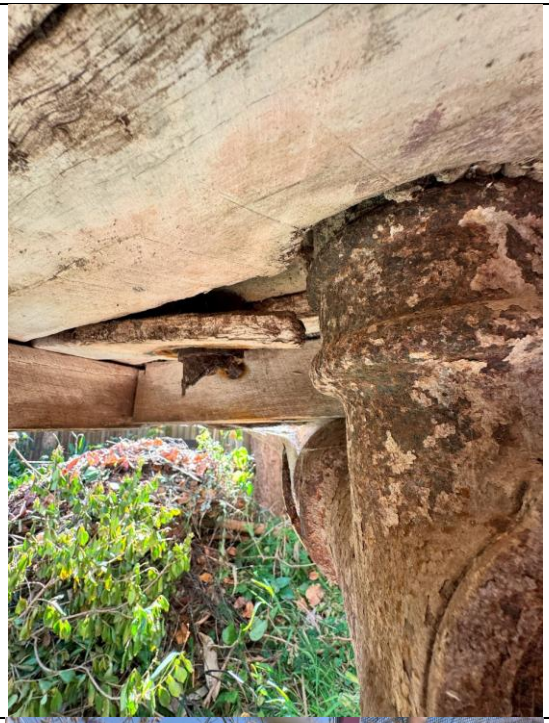
DEFECT NO:	1	Inspectors Comments:
Inspection Parts	Exterior	External paint generally degraded, no signs if significant wood rot. Recommendations: Recommend suitably qualified and licenced contractors be engaged to repaint
Location	Exterior in General	
Defect	Minor Defect	
Defect Description	Loss of Utility, Further Deterioration	
Defect Category	D – Material Deterioration	
Damage Category	NA	
Crack Category	NA	

			
DEFECT NO:	2	**Inspectors Comments:**	
Inspection Parts	Exterior		
Location	Cladding	Cladding Board Cracked	
Defect	Minor Defect	Recommend suitably qualified and licenced contractors engaged to repair damage	
Defect Description	Loss of utility		
Defect Category	A - Damage		
Damage Category	NA		

DEFECT NO:	3	Inspectors Comments:	
Inspection Parts	Exterior		
Location	Gate	Gate Sagging	
Defect	Minor Defect	Recommend suitably qualified and licenced contractors engaged to repair	
Defect Description	Loss of utility		
Defect Category	E - Operational		
Damage Category	NA		
Crack Category	NA		

DEFECT NO:	4	Inspectors Comments:	
Inspection Parts	Exterior		
Location	Yard	Small retaining sleeper missing	
Defect	Minor Defect	Recommend suitably qualified and licenced contractors engaged to repair	
Defect Description	Loss of utility		
Defect Category	E - Operational		
Damage Category	NA		
Crack Category	NA		

DEFECT NO:	5	Inspectors Comments:	
Inspection Parts	Exterior		
Location	Subfloor	Old floorboards damaged	
Defect	Major Defect	Recommend suitably qualified and licenced contractors engaged to repair	
Defect Description	Loss of utility, further deterioration		
Defect Category	A – Damage, D – Material Deterioration		
Damage Category	NA		
Crack Category	NA		

DEFECT NO:	6	Inspectors Comments:	
Inspection Parts	Exterior		
Location	Eastern Wall	Timber windowsills rotten	
Defect	Major Defect	Recommend suitably qualified and licenced contractors engaged to repair	
Defect Description	Loss of utility, further deterioration		
Defect Category	A – Damage, D – Material Deterioration		
Damage Category	NA		
Crack Category	NA		

3. Timber Pest Detection

RESULTS OF INSPECTION 1.
GENERAL
1.1 General Description of the Property
Building type: Detached house
Number of storeys: One Storey
1.2 Primary Method of Construction
Main building - Floor construction: Suspended timber framed
Main building - Wall construction: Timber framed
Main building - Roof construction: Timber framed Other (timber)
Elements of Construction: Timber cladding (internal/external) Internal timber joinery Floorboards
1.3 Occupancy Status: Occupied and furnished
1.4 Orientation
To establish the way in which the property was viewed. The façade of the building faces: East
NOTE: For the purpose of this report the façade of the building contains the main entrance door.
1.5 Weather Prevailing weather conditions at the time of inspection: Dry

2. ACCESSIBILITY See also Clause A.2.
2.1 Readily Accessible Areas Inspected
The inspection covered the following Readily Accessible Areas including: Building interior Building exterior Roof space Subfloor space
The Site Additional Comments:
2.2 Areas Not Inspected
The inspection did not include areas which were not readily accessible, inaccessible, or obstructed at the time of inspection. See also Clause A.1 - Limitation No. 2. **2.2.1 Strata or Company Title Properties**
Was the inspection of a strata or company title property (e.g. a home unit or townhouse)? No Was the inspection limited to assessing the interior and immediate exterior of a particular unit? Not Applicable

NOTE. Unless the common property is also inspected, this report is confined to the interior and immediate exterior of a unit dwelling only. This may be of limited value to the Client as it does not provide any authority that the unit and its associated premises is free from past, current and observable timber pest risks within the limits otherwise set out in this report.

In addition, the Client may have additional liability for Timber Pest Attack in the common property. This additional liability can only be addressed through the undertaking of a Special-Purpose Inspection Report which is adequately specified.

Additional Comments:

2.2.2 Obstructions
Were there any obstructions that may conceal possible timber pest attack?
☑ Building Interior: Building Interior, Floor coverings, Wall linings, Fixed ceilings
☑ Building Exterior: Building Exterior, Wall linings, Pavements, Earth
☐ Roof Exterior:
☑ Roof Space: Roof Space, Thermal insulation
☐ Subfloor Space: Subfloor Space, Stored articles/materials
☐ Outbuildings:
☐ Site: Site, Vegetation covering fences, thick foliage
Additional Comments:

2.2.3 Inaccessible Areas
Were there any normally accessible areas that did not permit entry? No
Undetected Timber Pest Risk Assessment Due to the level of accessibility for inspection including the presence of obstructions, the overall degree of risk of undetected Timber Pest Attack and Conditions Conducive to Timber Pest Attack was considered: **Moderate - See Recommendations below**

RECOMMENDATION: Where the risk is considered “Moderate” or “Moderate-High” or “High,” a further inspection is strongly recommended of areas that were not readily accessible, and of inaccessible or obstructed areas once access has been provided or the obstruction removed. This may require the moving, lifting or removal of obstructions such as floor coverings, furniture, stored items foliage and insulation. In some instances, it may also require the removal of ceiling and wall linings, and the cutting of traps and access holes. Seek further advice from your consultant.
Additional Comments:

SIGNIFICANT ITEMS

The following items were reported on in accordance with the Scope of Inspection.
Termites See also Clause A.3 and Clause A.8.
The genus or species of drywood or subterranean termites listed below have the potential to cause significant structural damage. See also Clause A.1 - Limitations No 3 & No 5.

Active (live) Termites
Were live termites found? No
Was a termite nest found? No
Have any specimens been collected for the purpose of positive identification? **Not Applicable**
The genus or species has been positively identified as: **Not Applicable**

Details (include location of live termites found and any recommendation for further expert advice):
Subterranean Termite Management Proposal A proposal in accordance with Australian
Standard AS 3660.2 to treat a known infestation and/or help manage the risk of concealed subterranean
termite access to buildings and structures.

Is a Subterranean Termite Management Proposal recommended? Yes – as per existing treatment
Is this Consultant engaged to provide a management proposal? No - see Note 2 below

NOTE 1. If "Yes," in addition to this inspection report, a full written Subterranean Termite Management Proposal in accordance with Australian Standard AS 3660.2 must be delivered to the Client. See also Clause A.1 - Exclusion No.1.

NOTE 2. If this Consultant is not providing a management proposal, but a proposal is recommended above, then the Client should contact a licensed pest control operator in respect to obtaining a proposal without delay. Additional Comments:

Termite Workings and/or Damage

Was evidence of termite workings or damage found? No

The extent of any visible damage appears: NIL

Details - indicate the location of all accessible timbers and other materials showing signs of attack, and

a description of any termite workings found:

RECOMMENDATION Where evidence of damage to building timbers exists, competent advice (e.g.

from a licensed and practicing building contractor) should be obtained to determine the extent of any

structural damage and as to the need or otherwise for rectification or repair work. See also Item 3.1.5

'Frequency of Future Inspections' recommendation.

Previous Termite Management Program

Was evidence of a possible previous termite management program found? Yes

NOTE 1. If "Yes" provide details and the location of the possible previous termite management program below (including the location of any 'Termite Treatment Notice' affixed at the entrance to a crawl space or some other place where it was protected from damage, e.g. in the case of a slab-on-ground construction, in an external electrical meter box).

NOTE 2. See also Clause A.3 and Clause A.8. Details:

Frequency of Future Inspections Australian Standard AS 3660 recognises 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 minimised.

The next inspection to help detect termite attack is recommended in: 12 Months - see also Clauses A.3 and A.8 3.2

Chemical Delignification See also Clause A.4 and Clause A.8.

Was evidence of Chemical Delignification found? No - 12 monthly inspections recommended

The extent of any visible damage appears: Not Applicable

Wood Borers

See also Clause A.6 and Clause A.8.

Was evidence of Wood Borers found? No

The extent of any visible damage appears: NA

Conditions Conducive to Timber Pest Attack

See also Clause A.7 and Clause A.8. The Consultant sought evidence of noticeable building deficiencies or environmental factors that may contribute to the presence of timber pests. In respect of moisture management issues, the inspection included the potential for or presence of water or dampness in unintended locations.

Lack of Adequate Subfloor Ventilation

Was evidence of a lack of adequate ventilation found? No Details (include the location and any recommendation for further expert advice e .g. from a licensed a building contractor):

The Presence of Excessive Moisture Excessive moisture exists where timbers, soil or areas close thereby hold enough moisture to attract or support termite colony development, fungal growth and wood-decay.

Was evidence of the presence of excessive moisture found? No - see Details

Were high moisture readings obtained using a moisture meter? No - see Details

Was evidence of mould growth found? No Details (include the location and any recommendation for further expert advice e.g. from a licensed a plumbing contractor):

MOULD RECOMMENDATION Where evidence of mould growth was noted above, there may be environmental, biological or health issues associated with this report. Any questions concerning such issues due to the presence of mould, the release of mould spores or concerning indoor air quality should be immediately directed to an appropriately qualified inspector. See also Clause A.1 - Limitation No 7

Bridging or Breaching of Termite Management Systems and Inspection Zones 'Bridging' means termites gaining access to a structure by passing over a termite management system or inspection zone. 'Breaching' means the passing of termites through a hole or gap in a termite management system.

Was the finished ground or paving level above the adjacent internal floor level or damp -proof-course or obstructing any weephole or vent face on external walls? No

Was evidence of bridging or breaching found? Yes – Rear verandah area installed without barrier to existing house - see Details below, Clauses A.7 and A.8 - The subfloor structure of the rear deck is connected to the rear elevation of the house without appropriate termite barriers or treatment. Recommend chemical treatment of the deck stumps and/or physical barrier installed at possible bridging point:

Untreated or Non-Durable Timber Used in a Hazardous Environment This condition may include, but is not limited to, earth-wood or damp masonry-wood contact.

Was evidence of untreated or non-durable timber used in a hazardous environment found? No. Details (include the location and any recommendation for further expert advice e.g. from a licensed a building contractor):

Other Conditions Conducive to Timber Pest Attack For example: evidence of non-existent or defective termite shields installed to isolate piers; storage of timber and stored goods under /adjacent to the building; tree stumps and vegetation in subfloor spaces; cracks in concrete slabs or foundations ; defective flashings, downpipes and guttering; absent or ineffective moisture barriers; poor subfloor drainage; water entry points; etc.

Was evidence of any other condition conducive to timber pest attack found ? No Details (include the location and any recommendation for further expert advice e.g. from a licensed a building contractor):

Major Safety Hazards For example, the imminent collapse of a structural member and other building elements made unsafe by timber pest attack.

Was evidence of any item or matter (within the Consultant's expertise) that may constitute a present or imminent major safety hazard observed? No Details - including the location and any recommendations for further expert advice e .g. from a licensed building contractor:

CONCLUSION The following Timber Pest remediation actions are recommended:

1. No treatment of Timber Pest Attack is required.

2. In addition to this Report a written subterranean termite management proposal to help manage the risk of future subterranean termite access to buildings and structures is recommended.

3. Due to susceptibility of the property to sustaining Timber Pest Attack the next inspection is recommended in 12 Months.

Your attention is drawn to the advice contained in the Terms & Conditions of this Report including any special conditions or instructions that need to be considered in relation to this Report.

CERTIFICATION - This document certifies that the property described in this Report has been inspected by the Timber Pest Detection Consultant in accordance with the level of service requested by the Client and the Terms and Conditions set out in Clause A.1 of this Report, and in accordance with the current edition of the Report Systems Australia (RSA) Handbook Timber Pest Detection Reports 'Uniform Inspection Guidelines for Timber Pest Detection Consultants.'

COMPANY NAME (where applicable): Proactive Service Solutions

NAME OF CONSULTANT: David Franey

LICENCE OR REGISTRATION NUMBER (where applicable under State or Territory legislation): 1063052

ADDRESS: 9 Progress Ct Harlaxton 4350

PHONE: 1300 123 117

4. CRACKING OF BUILDING ITEMS

Is There Cracking to Building Items? **No**

Appearance Defect - Where in the inspector's opinion the appearance of the building item has deteriorated at the time of the inspection and the significance of this cracking is unknown until further information is obtained.

Serviceability Defect - Where in the inspector's opinion the performance of the building item is flawed at the time of the inspection and the expected significance of this cracking is unknown until further information is obtained.

Structural Defect - Where in the inspector's opinion the structural soundness of the building item has diminished at the time of the inspection and the expected significance of this cracking is unknown until further information is obtained.

Important

Regardless of the type of crack(s) a Pre-Purchase Building Inspector carrying out a Pre-Purchase Inspection within the scope of a visual inspection is unable to determine the expected consequences of the cracks.

Obtaining Information regarding:

(a) The nature of the foundation material on which the building is resting,

(b) The design of the footings,

(c) The site landscape,

(d) The history of the cracks and

(e) Carrying out an invasive inspection,

all fall outside the scope of this Pre-Purchase Inspection. However, the information obtained from the five items above are valuable, in determining the expected consequences of the cracking and any remedial work needed.

Cracks that are small in width and length on the day of the inspection may have the potential to develop over time into Structural Problems for the Home Owner resulting in major expensive rectification work been carried out.

5. Conclusion and Summary

The purpose of the inspection is to identify the major defects and safety hazards associated with the property at the time of the inspection. The inspection and reporting are limited to a visual assessment of the Building Members in accord with Appendix C AS4349.1-2007.

The overall condition of this building has been compared to similar constructed buildings of approximately the same age where those buildings have had a maintenance program implemented to ensure that the building members are still fit for purpose.

- ***The incidence of Major Defects in this Residential Building as compared with similar Buildings is considered: TYPICAL***
- ***The incidence of Minor Defects in this Residential Building as compared with similar Buildings is considered: TYPICAL***

The overall condition of this Residential Dwelling in the context of its age, type and general expectations of similar properties is ABOVE AVERAGE

Please Note: This is a general appraisal only and cannot be relied on its own – read the report in its entirety.

This 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. 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 Report and anything in this Summary, the information in the Report shall override that in this Summary.

Definitions

High

The frequency and/or magnitude of defects are beyond the inspector's expectations when compared to similar buildings of approximately the same age that have been reasonably well maintained.

Typical

The frequency and/or magnitude of defects are consistent with the inspector's expectations when compared to similar buildings of approximately the same age which have been reasonably well maintained.

Low

The frequency and/or magnitude of defects are lower than the inspector's expectations when compared to similar buildings of approximately the same age that have been reasonably well maintained.

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 reasonable standard of workmanship when compared with buildings of similar age and construction.

Average

The overall condition is consistent with dwellings of approximately the same age and construction. There will be areas or items requiring some 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.

Major Defect

Is a Defect requiring building works to avoid unsafe conditions, loss of function or further worsening of the defective item.

Minor Defect

Any defect other than what is described as a major defect.

Important Advice

Note: In the case of strata and company title properties, the inspection is limited to the interior and immediate exterior of the specific 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 influence 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/drainer.

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

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) 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 largely depends 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) 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) 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 services have been used for some time prior to the inspection and whether this will affect the detection of leaks or other defects (*e.g. 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 decide 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.

COMPLAINT INVESTIGATION: In the event any litigation is started as a result of the inspection and/or report, you indemnify us against any legal fees and expenses incurred where you have not first allowed Us the opportunity to visit the property to investigate the complaint and provide you with a written response within 28 days.

6) 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 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."

7) 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 during 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.

8) 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.

9) 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.

7. IMPORTANT DISCLAIMER

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: We will not be liable for any loss, damage, cost or expense, whatsoever, suffered or incurred by any Person other than You in connection with the use of the Inspection Report provided pursuant to this agreement by that Person for any purpose or in any way, including the use of this report for any purpose connected with the sale, purchase, or use of the Property or the giving of security over the Property, to the extent permissible by law. The only Person to whom We may be liable and to whom losses arising in contract or tort sustained may be payable by Us is the Client named on the face page of this Agreement.

8. CONTACT THE INSPECTOR

Please feel free to contact the inspector who carried out this inspection. Often it is very difficult to fully explain situations, problems, access difficulties, building faults or their importance in a manner that is readily understandable by the reader. Should you have any difficulty in understanding anything contained within this report then you should immediately contact the inspector and have the matter explained to you. If you have any questions at all or require any clarification then contact the inspector prior to acting on this report.

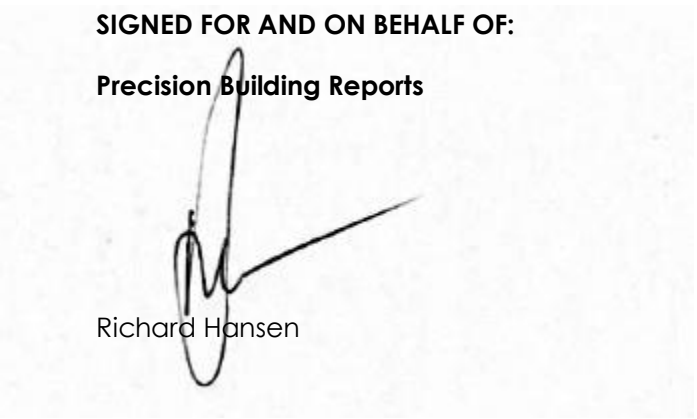
The Inspection and Report was carried out by: Richard Hansen

Address: 35 Wentworth Street, Toowoomba, QLD 4350

Dated: 6th April 2015

SIGNED FOR AND ON BEHALF OF:

Precision Building Reports



Richard Hansen

TIMBER PEST TERMS & CONDITIONS

A.1 TERMS AND CONDITIONS

SERVICE

As requested by the Client, the inspection carried out by the Timber Pest Detection Consultant ("the Consultant") was a "Standard Timber Pest Detection Report."

PURPOSE The purpose of this inspection is to assist the Client to identify and understand any Timber Pest issues observed at the time of inspection.

SCOPE OF INSPECTION This Report only deals with the detection or non-detection of Timber Pest Attack and Conditions Conducive to Timber Pest Attack discernible at the time of inspection. The inspection was limited to the Readily Accessible Areas of the Building & Site (see Note below) and was based on a visual examination of surface work (excluding furniture and stored items), and the carrying out of Tests. Note. With strata and company title properties, the inspection was limited to the interior and the immediate exterior of the residence inspected. Common property was not inspected.

ACCEPTANCE CRITERIA Where possible, the building being inspected was compared with a similar building. To the Consultant's knowledge the similar building used for comparison was constructed in accordance with generally accepted timber pest management practices and has since been maintained during all its life not to attract or support timber pest infestation.

Note. If the building was not comparable to a similar building (e.g. due to unusual design or construction techniques), then the inspection was based on the general knowledge and experience of the Consultant. Unless noted in "Special Conditions or Instructions", this Report assumes that the existing use of the building will continue.

This Report only records the observations and conclusions of the Consultant about the readily observable state of the property at the time of inspection. This Report therefore cannot deal with:(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; and(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.

These matters outlined above in (a) & (b) are excluded from consideration in this Report.

If the Client has any doubt about the purpose, scope, and acceptance criteria on which this Report is to be based please discuss your concerns with the Consultant before ordering the Report or on receipt of this Report. The Client acknowledges that, unless stated otherwise, the Client as a matter of urgency should implement any recommendation or advice given in this Report.

LIMITATIONS

The Client acknowledges:

1. This Report does not include the inspection and assessment of matters outside the scope of the requested inspection

and report.

2. The inspection only covered the Readily Accessible Areas of the Building and Site. The inspection did not include

areas which were inaccessible, not readily accessible or obstructed at the time of inspection. Obstructions are defined as any 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.

3. The detection of drywood termites may be extremely difficult due to the small size of the colonies. No warranty of absence of these termites is given.

4. European House Borer (Hylotrupes bajulus) attack is difficult to detect in the early stages of infestation as the galleries of boring larvae rarely break through the affected timber surface . No warranty of absence of these borers is given. Regular inspections including the carrying out of appropriate tests are required to help monitor susceptible timbers.

5. This is not a structural damage report. Neither is this a warranty as to the absence of Timber Pest Attack. 6. If the inspection was limited to any particular type(s) of timber pest (e.g. subterranean termites), then this would be the subject of a Special-Purpose Inspection Report, which is adequately specified.

7. This Report does not cover or deal with environmental risk assessment or biological risks not associated with Timber Pests (e.g. toxic mould) or occupational, health or safety issues. Such advice may be the subject of a Special-Purpose Inspection Report which is adequately specified and must be undertaken by an appropriately qualified inspector. The choice of such inspector is a matter for the Client.

8. This Report has been produced for the use of the Client. The Consultant or their firm or company are not liable for any reliance placed on this report by any third party.

EXCLUSIONS

The Client acknowledges:

1. This Report does not deal with any timber pest preventative or treatment measures or provide costs for

the control, rectificatuion or prevention of attack by timber pests. However, this additional infromation or

advice may be the subject of a timber pest management proposal which is adequately specified.

DEFINITIONS

Timber Pest Attack means Timber Pest Activity and/or Timber Pest Damage. Timber Pest Activity means telltale signs associated with 'active' (live) and/or 'inactive' (absence of live) Timber Pests at the time of inspection.

Timber Pest Damage means noticeable impairments to the integrity of timber and other susceptible materials resulting from attack by Timber Pests. Major Safety Hazard means any item that may constitute an immediate or imminent risk to life, health or property resulting directly from Timber Pest Attack. Occupational, health and safety or any other consequence of these hazards has not been assessed.

Conditions Conducive to Timber Pest Attack means noticeable building deficiencies or environmental factors that may contribute to the presence of Timber Pests. 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:

(a) accessible subfloor areas on a sloping site where the minimum clearance is not less than 150 mm high, provided that the area is not more than 2 metres from a point with conforming clearance (i.e. 400 mm high by 600 mm wide); and

(b) 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).

Client means the person or persons for whom the Timber Pest Detection Report was carried out or their Principal (i.e. the person or persons for whom the report was being obtained).

Timber Pest Detection Consultant means a person who meets the minimum skills requirement set out in the current

Australian Standard AS 4349.3 Inspections of Buildings. Part 3: Timber Pest Inspection Reports or state/territory legislation requirements beyond this Standard, where applicable.

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, trees and stumps with a diameter greater than 100 mm and timber embedded in soil) and the land within the property boundaries up to a distance of 50 metres from the main building(s).

Timber Pests means one or more of the following wood destroying agents which attack timber in service and affect its structural properties:

(a) Chemical Delignification - the breakdown of timber through chemical action.

(b) Fungal Decay - the microbiological degradation of timber caused by soft rot fungi and decay fungi, but does not

include mould, which is a type of fungus that does not structurally damage wood.

(c) Wood Borers - wood destroying insects belonging to the order 'Coleoptera' which commonly attack seasoned timber.

(d) Termites - wood destroying insects belonging to the order 'Isoptera' which commonly attack seasoned timber.

Tests means additional attention to the visual examination was given to those accessible areas which the consultant 's experience has shown to be particularly susceptible to attack by Timber Pests. Instrument Testing of those areas and other visible accessible timbers/materials/areas showing evidence of attack was performed.

Instrument Testing means where appropriate the carrying out of Tests using the following techniques and instruments :

(a) electronic moisture detecting meter - an instrument used for assessing the moisture content of building elements;

(b) stethoscope - an instrument used to hear sounds made by termites within building elements;

(c) probing - a technique where timber and other materials/areas are penetrated with a sharp instrument (e.g. bradawl or

pocket knife), but does not include probing of decorative timbers or finishes, or the drilling of timber and trees; and

(d) sounding - a technique where timber is tapped with a solid object.

A.2 ACCESSIBILITY

Unless specified in writing, the inspection only covered the Readily Accessible Areas of the Building and Site . The inspection did not include areas which were inaccessible, not readily accessible or obstructed at the time of inspection . Areas which are not normally accessible were not inspected and include - but not limited to - inside walls, the interior of a flat roof or beneath a suspended floor filled with earth.

Building Interior The Consultant did not move or remove any ceilings, wall coverings, flooring, floor coverings (including carpeting), furnishing, equipment, appliances, pictures or other household goods. In an occupied property, furnishings or household items may be concealing evidence of timber pest attack which may only be revealed when the items are moved or removed.

Building Exterior, Roof Exterior and Site The Consultant did not move or remove any obstructions such as wall cladding, awnings, trellis, earth, plants, bushes, foliage, stored materials, debris or rubbish. Due to the 'secretive' nature of timber pests, it is possible that hidden damage may exist in concealed areas, e.g. wall framing. Damage may only be found when the obstruction is removed. In the case of buildings constructed on concrete slabs, if the edge of the slab or any weephole or vent at the base of external walls is concealed by pavements, gardens, lawns or landscaping then it is possible for termites to gain undetected entry into the building. The building of gardens or planting of shrubs close to the perimeter of the building can promote and conceal termite entry points. The storage of cellulose materials such as building materials and firewood in close proximity to the ground or building may encourage termite activity.

Roof Space Obstructions such as roofing, stored articles, thermal insulation, sarking and pipe /duct work may be concealing evidence of timber pest attack which may only be revealed when the obstructions are moved or removed. Also, bodily access should be provided to the interior of all accessible roof spaces. In accordance with Australian Standard ASS 4349 the minimum requirement is a 400mm by 500 mm access manhole.

Subfloor Space Subfloor areas should be kept free from all vegetation (including tree stumps) and other cellulose material which may encourage timber pest activity. Also, storage of materials in subfloor areas is not recommended as it reduces ventilation and makes inspection difficult. Obstructions may be concealing evidence of timber pest attack which may only be revealed when the obstructions are moved or removed. Bodily access should be provided to all accessible subfloor areas with the minimum requirement being a 500 mm x 400 mm access manhole. In the case of suspended floors, if the clearance between the ground and structural components is less than 400 mm, then the ground should be excavated to provide the required clearance, subject to maintaining adequate drainage and support to footings. If the subfloor has been sprayed for subterranean termites or if the area is susceptible to mould growth, appropriate health precautions must be followed before entering the area. Also, special care should be taken not to disturb the treated soil. Always seek further advice from the Consultant.

A.3 TERMITES

General Description of Attack Timber hollowed beneath; some cracking at the surface of timber; earthen channels present; or pale faecal spots present.

IMPORTANT NOTE. As a delay may exist between the time of an attack and the appearance of telltale signs associated with the attack, it is possible that termite activity and damage exists though not discernible at the time of inspection.

Treatment After discovery of an active infestation, it is imperative that the species of termite is accurately identified before costly (and sometimes unnecessary or inappropriate) methods of treatment are initiated. Only economically important species which are known to attack timber structures should be treated.

In the case of economically important species, it is important that the termite workings are not further disturbed until the proposed method of control has been determined by a licensed pest control operator. Premature attempts to repair or replace infested timber may cause the termites to withdraw from the area temporarily, thereby hindering effective treatment . Any repair or replacement of infested timber should be carried out after the appropriate treatment has been completed.

Where evidence of active termites is detected within a building or within 50 metres of any building, it must always be assumed that the termites may also be active in areas of the property not inspected. Accordingly, where the termites are known to be of economic significance, a further (more invasive) inspection is strongly recommended of areas which were inaccessible, not readily accessible or obstructed at the time of inspection. Termite Workings and Damage Where evidence of damage to building timbers exists, competent advice (e.g. from a licensed or registered building contractor) should be obtained to determine the extent of any structural damage and as to the need or otherwise for rectification or repair work.

Where evidence of inactive termites is located within the building, it is possible that termites are still active in areas of the property not inspected and they may continue to cause damage. A further more invasive inspection is strongly recommended of areas which were inaccessible, not readily accessible or obstructed at the time of inspection. Where evidence of an inactive termite infestation exists, it is not possible, without benefit of further investigation and inspections over a period of time, to ascertain whether any infestation is active or inactive. Continued, regular, inspections are essential.

Where evidence of termite attack exists to any trees or tree stumps a more conclusive search should be undertaken. This may require the tree or stump to be drilled to determine the existence of a termite nest. In addition, the soundness and stability of any standing trees identified as being affected by termite attack should be confirmed. Always seek further advice from the Consultant.

Previous Treatments Where evidence of a possible termite treatment was located, the Client should obtain and keep on file all relevant documents pertaining to the extent of the treatment, any service warranties and advice in regard to the building owner's obligation to maintain the treatment and/or management system. If evidence of a previous treatment of termite infestation is noted, and appropriate documentation is not available, the Client must assume that the termite infestation may still be active in areas of the property not inspected. Accordingly, a re-treatment may be required. Always seek further advice from the Consultant.

Frequency of Future Inspections Australian Standard AS 3660 recognises 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 minimised. Inspections at intervals not exceeding twelve (12) months are recommended. Where the termite risk is high or the building type susceptible to termite attack, more frequent inspections (3-6 months) should be undertaken.

A.4 CHEMICAL DELIGNIFICATION

General Description of Attack Surface of timber appears very hairy; and wood and 'hairs' separate. Economic Significance Chemical Delignification of wood in service is only rarely encountered and then only in certain areas. Small dimensional timber members such as roof tiling battens may collapse when the wood becomes defribrated. However, in large dimensional timber members such as rafters, bearers and joists, delignification takes many years to affect the strength of timber to the point of collapse. Where evidence of Chemical Delignification exists, competent advice (e.g. from a licensed or registered building contractor) should be sought to determine the extent of any structural damage, and as to the need or otherwise for rectification or repair work.

A.5 FUNGAL DECAY

General Description of Attack Decaying wood contains sufficient moisture to retain its original shape and may have sufficient strength to withstand normal loads. In contrast decayed wood is reduced both in moisture content and size as indicated by cracking either along or across the grain or fibres coming apart in a stringy manner. Decayed wood will have undergone considerable strength reduction.

Economic Significance Fungal decay can cause at one extreme, structural failure of the affected timber, and at the other purely superficial surface damage. The most critical determination is that of which timber is affected and decaying, because decay will most likely spread (unless sources of moisture are quickly removed). Affected and decayed timber may warrant timber replacement, but the rot should not spread unless a new moisture source becomes available in that area.

Where evidence of decayed timber exists, competent advice (e.g. from a licensed or registered building contractor) should be sought to determine the extent of any structural damage, and as to the need or otherwise for rectification or repair work. It is important to correct any condition conducive to attack prior to replacing decayed wood.

Where evidence of decaying timber exists, competent advice (e.g. from a licensed or registered building contractor) should be sought to remove the condition(s) conducive to attack, and to determine the extent of any structural damage, and as to the need or otherwise for rectification or repair work.

Where the full extent of damage or the overall condition of the timber is undetermined a further inspection is strongly recommended by a competent person (e.g. from a licensed or registered building contractor). This may require monitoring of the timber over a period of time and include the assessment of conditions conducive to attack in different weather conditions (e.g. to determine the adequacy of existing drainage).

Management Program Remove any conditions conducive to attack (e.g. lack of ventilation or the presence of excessive moisture). Regular inspections are recommended at intervals not exceeding 12 months. Always seek further advice from the Consultant.

A.6 WOOD BORERS

General Description of Attack As the attack proceeds, borer larvae eat through the wood leaving a dust called "frass'. Ejection of the frass occurs through the adult beetles flight (exit) holes, and it is usually present beneath any timber that has been attacked. The presence of frass however, does not indicate whether the attack is active or not. Borer larvae cannot be sighted unless the susceptible timber is broken open.

IMPORTANT NOTE: As a delay may exist between the time of an attack and the appearance of telltale signs associated with the attack, it is possible that borer activity and damage exists though not discernible at the time of inspection.

Economic Significance Evidence of borer activity is rarely cause for alarm, but rather for careful consideration of three main points, namely the identification of the particular borer responsible, whether the infestation is still active, and the extent of the damage. Full consideration should be given to each of these items before any action is taken.

The following wood borers cause damage most frequently encountered by building owners.

The Lyctid Borer The most common lyctid borer in Australia is Lyctus brunneus (powder post beetle). Attack usually takes place during the first six to twelve months of the service life of timber. However, the powder post beetle is not considered a significant pest of timber and treatment of infestation is not usually required. As only the sapwood of certain hardwoods is destroyed, larger-dimensional timbers (such as rafters, bearers and joists) in a building 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 cause collapse. This may require the support or replacement of the affected battens . Competent advice (e.g. from a licenses or registered building contractor) should be sought to determine the extent of any structural damage, and as to the need or otherwise for rectification or repair work.

The Anobiid Borer There are many different species of Anobiid borer, the most frequently encountered being Anobium punctatum (furniture beetle) and Calymmaderus incisus (Queensland pine beetle). Attack mainly occurs to softwoods especially pine timbers such as floorboards that have been in service for at least ten years. Should any structural timbers be attacked by Anobiid borers it is often difficult to determine what extent the borer damage has weakened such timbers and replacement is often the only way of ensuring safety from collapse. In the case of Anobiid borers, once an attack is initiated it is unlikely to cease or die out of its own accord without some sort of eradication treatment. Therefore, unless proof of treatment is provided, evidence of an attack must always be considered active. Although a chemical treatment is an option, replacement of infested timbers with non -susceptible, or treated timber, is the most effective method of treatment. Before any option is considered, competent advice (e.g. from a licensed building contractor) should be sought to determine the extent of any structural damage, and as to the need or otherwise for rectification or repair work.

Other Borers A further (more invasive) investigation is strongly recommended to determine whether infestation is still active and to positively identify the borer species responsible for the attack. Always seek further advice from the Consultant.

Management Program Wherever practical, remove any conditions conducive to attack (e.g. Anobium borer thrive in badly ventilated subfloor areas). Regular inspections are recommended at intervals not exceeding 12 months. Always seek further advice from the Consultant.

A.7 CONDITIONS CONDUCIVE TO TIMBER PEST ATTACK

Lack of Adequate Subfloor Ventilation Inadequate ventilation provides a condition suitable for timber pest infestation. For example, subterranean termites thrive in damp humid conditions typical of those provided in a poorly ventilated subfloor space. Where evidence of a lack of adequate ventilation has been identified in the report, the Client should seek competent advice (e.g. from a licensed or registered building contractor) in regard to upgrading ventilation.

The Presence of Excessive Moisture Ground levels around the building should be maintained in such a way to minimise water entering under the building. Also the ground surface in subfloor areas should be kept graded to ensure that moisture does not pond or accumulate in any area. Where necessary, sub-surface drains should be installed and maintained to assist with drainage around and under the building. Likewise, the presence of excessive moisture can often be directly related to ventilation limitations and the resultant high humidity.

Also, plumbing oversights and defects such as a leaking drain or tap will provide a microclimate conducive to timber pest attack.

Where necessary, the Client should seek competent advice (e.g. from a licensed or registered plumbing contractor) to determine the adequacy of existing drainage and remove any conditions conducive to the presence of excessive moisture. The building may need to be monitored over a period of time to detect or confirm a damp problem. The presence of dampness (including moisture) is not always consistent as the prevailing and recent weather conditions at the time an inspection is carried out may affect the detection of damp problems. Importantly, precipitation at or near the time of inspection does not necessarily guarantee that a damp problem will automatically be evident due to such circumstances as prevailing wind conditions or intensity of rainfall. The absence of any dampness at the time of inspection does not necessarily mean the building will not experience some damp problems in other weather conditions. Likewise whether or not services

have been used for some time prior to an inspection being carried out will affect the detection of dampness . Bridging or Breaching of Termite Management Systems and Inspection Zones Physical and/or chemical management systems are installed to impede concealed subterranean termite entry into buildings. However, termites may easily enter the building if the management system is bridged or breached.

With a concrete slab building it is essential that the edge of the slab be permanently exposed. An inspection zone of at least 75 mm should be maintained so that termites are forced into the open where they can be detected more readily during regular inspections. In the case of physical sheet material management systems, a minimum inspection zone of 75 mm should be maintained from the sheet material to the finished ground. Importantly, the edge of the slab or sheet material should not be rendered, tiled, clad or concealed by flashings, adjoining structures, paving, soil, turf or landscaping.

Where perimeter termite management systems have been installed, the building owner should ensure that the integrity of the management system remains intact and that the inspection of possible termite entry points is not impaired. This is especially important where an exposed slab edge is used as an inspection zone around the building (if the edge of the slab or any weepholes at the base of external walls are concealed by pavements, gardens, lawns or landscaping then it is possible for termites to gain undetected entry).

Also, bridging often occurs when items such as attachments to buildings allow termites to gain access to the building over or around a termite management system. Where attachments to buildings such as steps are not provided with a termite management system or cannot be easily inspected, they should be separated by a clear gap of at least 25 mm from the main structure. Where it is not possible to separate attachments from the main building, regular inspections of these areas should be undertaken.

In addition, termite management systems are often breached by the installation of services. Any disturbance of the management system should be promptly repaired.

Where evidence of bridging or breaching exists, to minimise risk of infestation seek further advice from the Consultant.

Untreated or Non-Durable Timber Used in a Hazardous Environment To reduce the risk of timber pest attack, it is essential that timber used in a hazardous environment (e.g. in direct contact with the ground or damp masonry) is of sufficient durability and/or is adequately preservative treated. Where evidence of this condition exists, the Client should seek competent advice (e.g. from a licensed or registered building contractor) regarding the need or otherwise for rectification or repair work.

Other Conditions Conducive to Timber Pest Attack If the cause or solution to a problem is not obvious, the Client should seek competent advice (e.g. from a licensed or registered building contractor) in regard to removing any conducive condition.

A.8 RISK MANAGEMENT OPTIONS

To help protect against financial loss, it is essential that the building owner immediately control or rectify any evidence of destructive timber pest activity or damage identified in this inspection report. The Client should further investigate any high-risk area where access was not gained. It is strongly advised that appropriate steps be taken to remove, rectify or monitor any evidence of conditions conducive to timber pest attack.

To help minimise the risk of any future loss, the Client should consider whether the following options to further protect their investment against timber pest infestation are appropriate for their circumstances:

Undertake thorough regular inspections at intervals not exceeding twelve months or more frequent inspections where the risk of timber pest attack is high or the building type is susceptible to attack. To further reduce the risk of subterranean termite attack implement a management program in accordance with Australian Standard AS 3660. This may include the installation of a monitoring and/or baiting system, or chemical and/or physical

management system. However, AS 3660 stresses that subterranean termites can bridge or breach management systems and inspection zones and that thorough regular inspections of the building are necessary.

If the Client has any queries or concerns regarding this Report, or the Client requires further information on a risk management program, please do not hesitate to contact the person who carried out this Report.