

# Pre-purchase Structural Inspection Agreement

The pre-purchase structural inspection will be conducted in accordance with the Australian Standard 4349.1 - 2007 Pre-purchase inspections - Residential buildings - Appendix A (Standard), which sets out the requirements for pre-purchase structural inspections.

A copy of the Standard and to review Appendix A can be obtained from SAI Global <a href="https://infostore.saiglobal.com/">https://infostore.saiglobal.com/</a>

The Standard requires that an inspection agreement between the client and inspector be entered into prior to the inspection taking place.

## Purpose of inspection

The purpose of the inspection is to provide advice to a prospective purchaser or other interested party regarding the structural condition of the property at the time of inspection.

The following areas shall be inspected where applicable:

- a. The interior of the building;
- b. The roof space;
- c. The exterior of the building;
- d. The sub-floor space;
- e. The roof exterior;
- f. The property within 30m of the building subject to inspection (garden sheds, retaining walls more than 700mm high, fencing, paths, driveways, carports, detached laundry and ablutions facilities where applicable).

## Scope of inspection in Accordance with Appendix A of AS4349.1-2007

The inspection shall comprise visual assessment of the property to identify major defects and to form an opinion regarding the structural condition of the property at the time of inspection. An estimate of the cost of rectification of defects is not required in an inspection report in accordance with the Standard.

The inspection shall cover all accessible areas and the client shall arrange right of entry. Limitations that are reasonably expected to be present or that reasonable may occur shall be identified.

Significant items to be reported are as follows:

- a. Major defects;
- b. A general impression regarding the extent of minor defects;
- c. Any major defect that is an urgent and serious hazard.



NOTE: The structural report in accordance with Appendix A of AS4349.1-2007 should not contain any assessment or an opinion regarding the following:

(a)	Any non-structural element, e.g., roof plumbing and roof covering, general gas, water and sanitary plumbing, electrical wiring, partition walls, cabinetry, windows, doors, trims, fencing, minor structures, non-structural damp issues, ceiling linings, floor coverings, decorative finishes such as plastering, painting, tiling, etc.  An assessment of any aspect or component of the property that cannot be seen or that requires testing and/or measurement to determine soundness.  Any area or item that was not, or could not be, observed by the inspector.  General maintenance other than that which is deemed to be directly related to the ongoing structural performance of the property.  Serviceability damp defects such as condensation, rising damp, lateral damp, falling damp.
(b)	An assessment of any aspect or component of the property that cannot be seen or that requires testing and/or measurement to determine soundness.
(c)	Any area or item that was not, or could not be, observed by the inspector.
(d)	General maintenance other than that which is deemed to be directly related to the ongoing structural performance of the property.
(e)	Serviceability damp defects such as condensation, rising damp, lateral damp, falling damp should only be assessed and reported on where structural damage has occurred, is occurring, or may occur (e.g., fungal rot) significant spalling of masonry or concrete structural elements, significant fretting or mortar, rusting of primary structural elements.  Stormwater drainage and surface water defects commonly cause or exacerbate foundation instability and these issues should be assessed and reported on where relevant.



# The report

- The report comments on only those features which were reasonably visible and reasonably accessible at the time of the inspection without alternative to viewing platforms, the removal, or moving of building components, or any other materials of any kind or any other unusual methodology including measuring or testing of building components to confirm structural soundness or major defects;
- 2. The inspector gives no undertaking that they will inspect all items on the day of the inspection;
- 3. The report is confirmation of a visual inspection of the Property carried out by the Inspector on the day of the inspection and only covers those items which could reasonably be detected by such visual inspection at the time of such inspection;
- 4. To the extent permitted by law, liability under any condition to warranty which cannot legally be excluded is limited to:
  - a) Supplying the report again; or,
  - b) Paying the cost of having the report supplied again.
- 5. If the report fails to conform in any material respect to the terms and conditions set out herein then,
  - a) The inspector is not liable unless the Client notifies the Inspector of the failure within 30 days after the date of delivery of the Report; and.
  - b) The liability of the inspector is in any case limited to the cost of providing the inspection and the inspector is not liable for any consequential damage.

#### Acceptance criteria

The building shall be compared with a building that was constructed in accordance with the generally accepted practice at the time of construction and which has been maintained such that there has been no significant loss of strength and serviceability.

**Rotaru Building Consultants** 

ABN 20 668 407 525

August 2019



#### Terms and Conditions of Engagement

#### General

- Rotaru Enterprises Pty Ltd ACN 634 549 492, trading as Rotaru Building Consultants, ABN 20 668 407 525 ("Consultant") shall provide to the Client the professional services for the project being undertaken by the Client described in the accompanying letter or email or any other documents stated in writing ("Fee Proposal") as being incorporated into the agreement between the Client and the Consultant and as prescribed by these Terms and Conditions of Engagement ("Agreement"). No variation of this Agreement will be of any force of effect unless it is in writing and signed by each party to this Agreement.
- 2. The Client is as detailed in the Fee Proposal.
- The Client shall inform Consultant of all relevant information concerning the Client's requirements for the works as well as inform Consultant if any of the Client's details vary subsequent to this Agreement.
- Consultant shall provide the Client consulting engineering services as described in the Fee Proposal.
- In providing the services, Consultant shall exercise the degree of skill, care and diligence normally exercised by a consulting engineer in similar circumstances.
- 6. An allowance of one 60 minute video/telephone conference is included in the Fee Proposal for jobs over the value of \$2,500 + GST. Any additional meetings shall be charged at the rates noted below.
- 7. Unless previously agreed, any project located near a canal, retaining wall or similar must be accompanied with the retaining wall design criteria. Consultant will not provide structural design certification for any structures that are outside the nominated design criteria.

#### **Payment**

- The Fee Proposal is valid for a period of 30 days from the date of issue.
- The Client shall pay Consultant for the fees and disbursements (plus GST) as set out in the Fee Proposal ("Fees").
- 10. The Client may apply for an account with Consultant. If Consultant agrees to provide such an account, written confirmation will be provided from Consultant confirming the Client is an account bolder.
- 11. Structural engineering certification with Fee greater than \$500 + GST is subject to 50% upfront payment prior to the Consultant commencing work, and 50% payment prior to issue of certification. Any other service with Fee less than \$500 + GST will require 100% upfront payment prior to the Consultant commencing work.
- 12. Consultant's banking details are as follows:
  - a. BSB number: 302 162
  - b. Bank account number: 1519256

- Bank account name: Rotaru Enterprises Pty Ltd
- 13. If the Client does not have an account with Consultant, all Fees payable by the Client to Consultant shall be paid prior to issue of deliverables under the Fee Proposal.
- 14. If the Client has an account with Consultant, all Fees payable by the Client to Consultant shall be paid within 30 days of date of invoice. Monies not paid within that period shall attract interest from the date of invoice until payment at the rate of 1.5% per month. The Client is responsible for any costs incurred in recouping this debt (i.e. debt collection costs, legal fees, dishonour cheque fees).
- 15. GST will be charged to all goods and services to which it is applicable as required by law. This will be payable on receipt of a tax invoice.
- 16. Should the progress of work be delayed for longer than one month for reasons beyond Consultant's control, Consultant will invoice for work completed to date.
- 17. Additional work required by the Client (items not included in the quotation or beyond the original scope of works), and accepted by Consultant in writing, shall be invoiced to the Client as a variation. All requests for variation are to be advised to Consultant in writing. Consultant reserves the right to issue variations as and when required as part of the Agreement.
  - Variation work shall be charged out at a rate of:
  - Principal Engineer \$230 + GST per hour
  - Engineer \$160 + GST per hour
  - Drafter \$140 + GST per hour
- 18. A minimum Fee of \$125 (plus GST) shall apply to all variations.
- 19. Any architectural design changes made to the drawings are to be advised in writing to Consultant in addition to the updated drawings being provided. Consultant does not accept responsibility for changes made to the architectural drawings that are not stated in writing.
- Consultant reserves the right to invoice the Client 90% of the total Fee upon issuing preliminary drawings.

# **Liability and Insurance**

- The Client may request a copy of Consultant' certificate of currency of professional indemnity insurance at any time prior to the completion of the work under the Fee Proposal.
- 22. Notwithstanding any other provisions of this Agreement, the Consultant's liability to the Client:
  - a. Under or arising from this Agreement, in contract or otherwise; and/or
  - In tort (including negligence) or under any statute arising from the Consultant's acts or omissions,

shall not exceed the sum of two (2) times the Fee charged under this Agreement.



#### Terms and Conditions of Engagement

- 23. In no circumstance will Consultant be liable to the Client for any indirect loss or damage of any nature whatsoever, including but not limited to, loss of profits or loss of opportunity. Consultant's liability to the Client (if any) will be for direct losses only.
- 24. In accordance with Section 45 of the Limitation Act 2005 (WA), the Client agrees that after the expiration of 12 months from the date of invoice in respect of the final amount claimed by Consultant pursuant to this Agreement, Consultant shall be discharged from all liability in respect of the Agreement whether under the law of contract, tort, breach of statute or otherwise.

## Copyright

- 25. Copyright in all deliverables, including but not limited to drawings, reports and specifications provided by Consultant in connection with the Fee Proposal shall remain the property of Consultant.
- 26. Subject to this Agreement, the Client alone shall have a license to use the documents referred to in Clause 25 (excluding design calculations) for the purpose of completing the works the subject of the Fee Proposal but the Client shall not use, or make copies of, such documents in connection with any work not included in the Fee Proposal.
- 27. If the Client is in breach of any obligation to make a payment to Consultant, Consultant may by notice in writing to the Client revoke the license referred to in Clause 26, and the Client shall cause to be returned to Consultant all documents referred to in Clause 25 and all copies thereof.

#### **Dispute**

- 28. Any dispute between the Client and Consultant shall first be the subject of discussion between the parties, prior to any formal legal actions are taken, provided that this provision shall not prevent Consultant from instituting legal action at any time to recover monies owing by the Client to Consultant.
- 29. The Client may terminate this Agreement:
  - a. In the event of a substantial breach by Consultant of its obligations hereunder which breach has not been remedied within 14 days of written notice from the Client requiring the breach to be remedied.
- 30. Consultant may terminate this Agreement by notice in writing to the Client:
  - a. In the event of monies payable to Consultant hereunder being outstanding; or
  - b. In the event of another substantial breach by the Client of its obligations hereunder which breach has not been remedied within 14 day of written notice from Consultant requiring the breach to be remedied.

#### General

- 31. If Consultant considers it appropriate to do so, it may engage another professional to assist Consultant in specialist areas including, but not limited to, geotechnical services in connection with the work the subject of the Fee Proposal. The Client accepts responsibility for all monies payable to such professional and will reimburse and indemnify Consultant for any such professional's costs;
- 32. Save and except for the engagement of a professional under this Agreement, neither party may assign, transfer or sublet any obligation under this Agreement without the prior written consent of the other. Unless stated in writing to the contrary no assignment, transfer or subletting shall release the assignor from any obligation under this Agreement.
- 33. Consultant shall not be liable for any damage to buildings or infrastructure adjacent to, or surrounding the site the subject of the works under the Fee Proposal that may be caused by movement of footings of buildings during installation works, excavation compaction or any other damage occurring as a result of work conducted by the Client and/or third parties engaged by the Client in the installation of retaining systems designed by Consultant.
- 34. The Client indemnifies Consultant against all claims for damage to buildings or infrastructure or any other damage adjacent to, or surrounding the site the subject of the works under the Fee Proposal, that may be caused by vibration, settlement of footings and similar effects occurring as a result of work conducted by the Client and/or third parties engaged by the Client in the installation of retaining systems designed by Consultant. Similarly, the Client indemnifies Consultant against damage caused by third parties in building the works or in the installation of retention and/or shoring systems designed by Consultant as part of the Fee Proposal for the Client and/or owner of the property.
- 35. All care will be maintained however, the Client indemnifies Consultant against any damage caused to underground services not previously made known to Consultant. Where possible the Client will indicate where any ground penetration is, and is not, to be made.
- 36. This Agreement is governed by the laws of the State of Western Australia.
- 37. The Client warrants that the person executing these Terms and Conditions of Engagement is duly authorised to execute the same and the Client will be bound by this Agreement notwithstanding that an employee, agent or contractor of the Client signs these Terms and Conditions of Engagement on the Client's behalf.



# **Terms and Conditions of Engagement**

Please complete the below information, sign and return to this office. *All fields are required to be completed.* 

I, the Client, have read and agree to these Terms and Conditions of Engagement

ADDRESS OF WORKS:	
FEE PROPOSAL NO:	
PAYMENT TYPE:	
FEE AMOUNT:	
ESTIMATED COMPLETION TIME:	
Client (Owner) Name:	
Client Representative Name:	
Billing Address: (Physical billing address is required)	
Telephone Number:	
Email:	
Signed for and on behalf of the Client:	
Date:	

Other services Consultant offers which may be beneficial to your project include:

- Compaction testing;
- Dilapidation reports; and
- Site inspections during construction.

Feel free to contact this office to further discuss your project needs.