Guidance notes for homebuyers Timber pest inspections and reports

Before you buy a home, it is recommended that you have a timber pest inspection report. The following information explains the law but does not substitute the legislation. You should get expert or legal advice about your particular situation.

A timber pest inspection report can be provided to make sure your property is not infested by termites or other timber pests.

Including a timber pest inspection condition on your offer

The standard buying/selling contract for the transfer of property has two sections, the:

- Contract for Sale of Land or Strata Title by Offer and Acceptance (the 'O&A'); and
- Joint Form of General Conditions for the Sale of Land (the 'General Conditions').

General Conditions of a contact will cover important obligations for the both buyer and seller. However, you can add extra clauses to the O&A as special conditions to meet the needs of both the buyer and the seller.

Special conditions will cover issues about property inspections such as building or pest inspections, who pays for necessary repairs, or anything else important for either the buyer or the seller. Any special conditions made to the O&A should be worded as precisely as possible and you may wish to seek expert advice from a lawyer. It is recommended for a buyer to include a special condition (commonly referred to as 'white ant condition') in the contract and make the terms of the timber pest inspection clear and verifiable.

The special condition should state that if termite activity is sufficient to cause, or has caused damage, then the contract of sale can be cancelled or the seller made liable for the cost of treatment and repair work. The special condition should identify that the timber pest inspection is carried out in accordance with Australian Standard 4349.3-1998, a national standard for timber pest inspections and reports.

Sale by offer and acceptance has more information.

Timber inspection and reports

This type of inspection includes roof and floor timbers, outbuildings and fencing. It will inform about current infestation, previous damage, areas likely to be infested in the future, and where additional inspections are recommended to maintain effective physical and chemical timber pest barriers.

- Identify who is responsible for obtaining the timber pest inspection report, the standard of the report, repercussions of a report that identify new and/or existing activity/damage and who is responsible for paying for the report.
- Include a statement allowing you to choose termination of the sale if the report identifies timber pest activity or damage you are not prepared to accept, or require the seller pay for the treatment and repair work to a standard which meets your satisfaction.
- Set a reasonable timeframe for inspection, treatment, repair work and re-inspection if necessary, to be carried out.

A seller may offer to pay for the inspection which may seem cheaper, but if you hire an inspector, your report will be independent, not affected by the seller's interests and they can provide advice directly to you. If you do choose to allow the seller to pay, you should request to choose the inspector and also the terms of the contract with the inspector's company.

Getting a good deal from the inspector

Factors such as the price, terms of the contract and the extent of the inspection may form the basis for your decision. To get the best deal shop around before you make a choice. In Western Australia, these are usually carried out by professional building inspectors and licensed pest control operators.

- Obtain several written quotes and terms of the warranties for the most thorough and professional service at the best price.
- Decide how detailed and thorough you wish the inspection of the property to be and advise the timber pest inspector accordingly.
- Allow full access to the premises and check the pest inspection meets Australian Standards.
- If a seller or their agent restricts an inspection in any way, or there are any areas that are inaccessible at the time of inspection, then a thorough report will note these facts.

If timber pest problems are discovered

If your inspection report indicates timber pest activity, your options will to some extent depend on the wording of the special condition in the O&A. By including your inspection as a special condition in the O&A you will more likely be able to solve the matter with the seller before settlement.

If you decide to continue with the purchase, and the special condition requires that the seller pay for timber pest damage and treatment, then it is recommended that you immediately write to the seller or the seller's agent outlining the expected repairs and treatment. Make sure that it is understood that a further inspection will take place prior to settlement to confirm that proper treatment or repairs have been carried out.

If the special condition allows you to terminate the contract, you may decide to give written notice of termination to the seller or the seller's agent according to the terms of the special condition.

If there is any ambiguity in the timber pest condition, you may need to see a lawyer for a legal interpretation of your position. It is also advisable to liaise with your settlement agent. In addition, if pest damage is discovered and there is no special condition in your contract covering this situation, it is suggested that you seek legal advice

Further advice about timber pests

If you are building your own home or you want general information about protecting your home from termites, consider the following information entitled Termites and your home and Guide to selecting a pest management business.

Pest control operators

A pest control operator's licence indicates a level of training, experience and adherence to Australian Standards. To check if a pest control operator is licensed, or to obtain information and advice about all types of chemical treatments, email, visit Department of Health or call 08 9388 4999.

We are available

You are welcome to visit one of our offices or telephone the Real Estate and Settlement Advice Line on 1300 304 064.

Department of Mines, Industry Regulation and Safety

Consumer Protection: **1300 304 054**

Consumer Protection Gordon Stephenson House Level 2, 140 William Street Western Australia 6000 Website: www.dmirs.wa.gov.au

Website: www.dmirs.wa.gov.au Email: consumer@dmirs.wa.gov.au

Regional Offices

 Goldfields/Esperance
 (08) 9026 3250

 Great Southern
 (08) 9842 8366

 Kimberley
 (08) 9191 8400

 Mid-West
 (08) 9920 9800

 North-West
 (08) 9185 0900

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