**Observation**

Inspection was undertaken at the subject property in the presence of the Property Manager to which the following was noted:

### Rear Verandah

1. At the time of our inspection, we noted the rear verandah area about the northern elevation of the subject property has a distinctive decline towards the external edge. **Images 2 – 4**
2. We measured the decline within the verandah floor to be approximately 2.9 degrees. **Image 5**
3. When short-term subsidence and movement occurs, specific indicators are also expected to be observed within the surrounding structures such as internal and external wall linings, timber framing and timber handrail etc inclusive of the following:

* Displacement and possible dislodgement of the timber handrail components.
* Displacement of the timber floor sheeting.
* Gaps between paintwork and adjoining elements.
* Significant displacement and dislodgement of the timber fascia about the edge.
* Significant displacement and cracking within the external wall linings.
* Cracks and gaps appear fresh without build-up of debris.

1. From our observations, we noted **no** evidence of the aforementioned specific indicators of sudden and abrupt movement about the rear verandah area. **Images 6 – 8**
2. As such, in our opinion the observed decline within the rear verandah area is **attributable to gradual settlement over an extended period of time (years).**
3. Furthermore, we also noted the timber framing members about the northern elevation of the subject property are in a significantly deteriorated condition including substantial wet rot and sectional loss. **Images 9 & 10**
4. We confirm that wet rot occurs as a result of on-going and long-term moisture exposure causing the timber to gradually decay and lose structural integrity.
5. To this end, in our opinion, the observed damage about the rear verandah area has been **ongoing for an extended period of time (years) and unrelated to any single one-off event**.

### Bathroom / Kitchen

1. We noted evidence of a water leak within the wall cavity dividing the kitchen and bathroom areas. **Images 11 & 12**
2. At the time of our inspection, internal access to the bathroom area was not possible as the doorway had been boarded up. **Image 13**
3. The Property Manager advised that the bathroom has been boarded up and not used for some time.
4. Given the evidence of water during our inspection, in our opinion, it is likely the escape of liquid is attributable to a leak within the pipework about the wall cavity.
5. However, we recommend a plumber be engaged to carry out a leak detection to confirm.
6. From our observations, it was evident that the water leak has been occurring for an extended period of time (months). **Image 14**
7. In saying this, the observed escape of liquid about the kitchen and bathroom dividing wall is **unrelated to the claimed damage about the rear verandah**.

**Discussion**

NA

**Conclusion**

Subsequent to our inspection, we can confirm a distinctive decline towards the external elevation was evident within the rear verandah area about the northern elevation of the subject property.

At the time of our inspection, we noted no evidence of specific indicators of sudden and abrupt movement about the rear verandah area.

As such, in our opinion the observed decline within the rear verandah area is **attributable to gradual settlement over an extended period of time (years).**

We also noted significant deterioration including wet rot and sectional loss within the timber framing members.

To this end, in our opinion, the observed damage about the rear verandah area has been **ongoing for an extended period of time (years) and unrelated to any single one-off event**.

A water leak was also evident within the dividing wall between the kitchen and bathroom areas and appears to have been occurring for an extended period of time (months).

Given the bathroom has not been used for some time, it is likely the escape of liquid is a result of a leak within the water pipework.

However, we recommend a plumber be engaged to carry out a leak detection to confirm.

In saying this, the observed escape of liquid about the kitchen and bathroom dividing wall is **unrelated to the claimed damage about the rear verandah**.