

Public Release – Position Paper 03.2019 – October 2019

The Industry Association of Building and Property Inspectors in WA Inc – Inspect WA is pleased to announce the release of its Position Paper on Pre Purchase Building Inspection Report clarity.

Background

The key issues that contributed to the release of this Position Paper:

1. There are key differences between AS4349.1 Inspection of buildings and the often-used Real Estate Industry of WA (“REIWA”) Pre Purchase Building Inspection Clause used by many member Agents when preparing Offer to Purchase Contracts
2. It is currently possible for a Pre Purchase Building Inspection report to be produced in Accordance with AS 4349.1 and yet cause considerable confusion amongst readers of these reports when trying to reconcile the contractual obligations contained within Contracts relying on the REIWA clause.

The Associations position is:

1. AS 4349.1 requires Building Inspectors to report on Major Defects irrespective of those Major Defects being Structural Defect or a Non Structural Defect. This requires all of the property to be inspected, not just the structure.
2. The REIWA clause requires the Building Inspection to disclose “Structural Defects on the properties residential building” if visually identified.
3. A property with one or multiple structures may have a major defect which may or may not be a Structural Defect and may or may not be on the residential building

The Association recommends that it’s Building Inspector Members clearly articulate in all pre purchase building inspections reports produced in accordance with AS 4349.1 where there is likelihood of reliance on the REIWA Pre Purchase Building Inspection clause:

1. If there are any Major Defects then the report must clearly articulate if those Major Defects are Major Structural Defects or Major Non Structural Defects
2. If there are any Major Defects on the property being inspected then the report must clearly articulate if the Major Structural Defect is on the residential building