

Canberra home buyers – A second opinion saved me money

Jaan-Clare and her husband had been in the market to buy a property for two years and had come across many building reports. In Canberra, sellers are obliged by law to provide building, pest and energy efficiency reports to all buyers. Jaan-Clare, who works in a legal services area, said the dozens of reports she had read seemed more or less the same, and often appeared to be ‘tick and flick exercises’.

Then one day the Witcombes were presented with a report by Surety Property Reports and were ‘amazed’ at the difference. ‘I was very impressed at how detailed and comprehensive it was,’ said Jaan-Clare. ‘It was well presented and easy to understand and when I rang the inspector to ask questions, he was more than happy to spend time chatting with me.’

Before seeing the Surety report, it hadn’t occurred to Jaan-Clare to have her own, independent property report completed before she and her husband bought their own property. When they found the house of their dreams, however, they remembered Surety’s thorough report and decided to engage them to conduct a second inspection before exchanging contracts to buy the property, even though it was going to cost them \$500 out of their own pocket.

When Surety found termites (and caught several live ones in a bag to confirm their findings), Jaan-Clare was upset because the seller’s report had given the house the ‘all clear’. There was also no mention in the building report of a number of visibly obvious issues, like a leaking roof in the toilet.

The termites were the big issue for Jaan-Clare and her husband. Their initial reaction was to walk away from buying the house, even though it was the one they really wanted. However, Surety sat with the couple to educate them on what the discovery meant. Surety explained—much to Jaan-Clare’s surprise—that termites are much more common in Canberra than the average resident thinks. The best approach, the property inspector said, would be to have Surety’s dedicated pest management inspector come to complete a more in-depth inspection and develop and cost an integrated pest management solution. Then the Witcombes could make a final decision on whether to proceed with the purchase of the property.

After the second inspection, which confirmed termites, Surety sat the Witcombes down and educated them on what steps were required to solve the problem. They explained the termites weren’t yet affecting the structure, but that they were definitely active underneath the house. As one of the most destructive pests in the world, it would only be a matter of time before the termites would start causing serious structural damage if a pest management program was not put in place. Surety also explained that with the right plan in place, the termites and their colony would be gone within a number of months, and after that it was a question of regular inspections to ensure they did not return.

Surety provided the Witcomes with a plan of attack and a cost to stop the termites from causing further damage. Armed with accurate and detailed knowledge, the Witcombes approached the seller with an offer of a reduced price. The seller insisted there were no termites, pointing to their own report as proof. Surety, in response, provided a detailed one-page summary of their

findings, photographs of the termite damage and additional photographs of the live termites under the house. Even though in Canberra the buyer reimburses the seller for the building reports on purchase, the Witcombes refused to do so, saying the report was 'clearly negligent'.

In the end the Witcombes bought the property, for a reduced price and didn't pay for the seller's building or pest report.

'Surety was so thorough,' says Jaan-Clare. 'They took the time to sit down with us and answered all of our questions. They enabled us to go into negotiations with our eyes wide open. While the situation was stressful, with the sellers pushing to exchange contracts quickly, Surety remained calm and factual and were happy to go the extra mile and provide additional information so that we could approach the sellers and know we were in a strong negotiating position.'

Having gone through the experience, Jaan-Clare is baffled over why more buyers don't invest in their own independent building report. 'People will spend hundreds of thousands of dollars on a home in Canberra, but not a few hundred to protect their interests or even just be aware as to what they are buying into. We spent \$500 for our own property check and saved so much more than that.'

'Too many Canberrans just rely on the seller's report,' says Jaan-Clare. 'And it's scary.'