NQBR NQ Building & Pest Reports

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Property Occupation Bill 2013 Submission 008

20th December, 2013

Mr Ian Berry MP, Member for Ipswich Chairperson Legal Affairs and Community Safety Committee Parliament House George Street BRISBANE QLD 4000

Via email: lacsc@parliament.qld.gov.au

I would like to make a submission in relation to the proposed Introduction of the new Property Agents Act. I understand the Government's position on the removal of red tape, but in doing so, the interests of the consumer must remain a priority.

Over a period of twelve years carrying out pre-purchase building and pest inspections I have continually witnessed selling Real Estate agents pushing forward their preferred Building Inspector to carry out pre-purchase inspections and directing them away from Independent Inspectors such as myself who have no obligation or connection to the agent.

From my observations and discussions with agents there are a few reasons these inspectors are being handed out work:

- Sales are assured and the agent receives his commission from the vendor.
- The inspector releases his findings to the agent without any consideration for his client's rights under the Privacy Act.
- The inspector offers inducements or pays commissions to agents in return for referrals
- Substandard reports are carried out often by inspectors new to the industry who find marketing agents in return for referrals an easy way to get established
- The agent refers to thorough inspectors as alarmist who compromise successful completion of sales.

In my opinion the purchaser's right to a thorough independent pre-purchase inspection is being compromised .When I point this obvious conflict of interest out to purchasers they generally immediately understand that their rights to fair treatment could have been breached and have expressed concern as to how this is allowed to occur.

Independent Pre-purchase Specialists

In my opinion, there is a vital necessity to place the same degree of importance on the relationship between Real Estate Agents involved in property sale, and Pest/Building Inspectors entrusted with pre-purchase inspections, as exists with Solicitors/Conveyancers, Valuers and Lenders, all of whom provide vital information that can influence the decision making of the consumer.

It is critical that home buyers have confidence in the professionals that they engage to protect their interests that in most cases is the largest single investment of their lifetime.

Yours sincerely

Greg Kite