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Commissioner

**North Carolina Department of Agriculture
and Consumer Services**
Structural Pest Control and Pesticides Division

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Director

MEMORANDUM

TO: Homeowners, Realtors, Builders, Lending Institutions, Real Estate Attorneys and Other Interested Parties

FROM: Structural Pest Control Division
North Carolina Department of Agriculture

SUBJECT: Wood-Destroying Insect Information Reports (Form WDIR 100)

Introduction

The *Official North Carolina Wood-Destroying Insect Information Report* (Form No. WDIR 100), adopted by the Structural Pest Control Committee, is used for reporting the presence or absence of wood-destroying insects in structures for sale. A person must be licensed by the Structural Pest Control Division to issue this report. It is the only form which is legal for this purpose and is issued on almost every residential structure sold. Therefore, it is especially important that home-buyers, lenders and other interested individuals understand the scope and limitations of this form.

How is the inspection performed and what is inspected?

By law, an inspection for wood-destroying insects is the careful visual examination of all accessible areas of a building and the sounding of accessible structural members to determine the presence of evidence of wood-destroying insect infestation. Infestation includes both present and past activity of wood-destroying insects visible in, on, or under a structure, or in or on debris under the structure. Permanently attached decks, porches, storage sheds, etc. are included in these inspections. Outbuildings or other detached structures are not routinely inspected unless specifically requested by the client. In order for the WDIR to be completed correctly the PCO must have access to all interior and exterior areas of the structure to be inspected.

Paragraphs 1 through 4 of the "Conditions Governing This Report" on the reverse of the form discuss the extent of the inspection performed. Be familiar with these conditions. The PCO must indicate areas of the structure which were inaccessible at the time of his inspection. Obviously inaccessible areas, such as inside walls, beneath carpet or other floor coverings, etc., will not be listed separately. Inaccessible areas will not be inspected without additional charge.

What will be reported?

The WDIR is issued for informational purposes and is required to reveal information concerning wood-destroying insects only. The PCO must report all visible evidence of wood-destroying insects and any conditions conducive to subterranean termites. The WDIR is not a warranty as to the absence of wood-destroying organisms; it is a report of the apparent presence or absence of wood-destroying insects at the time of the inspection. Though sometimes referred to as such, it is not a "clearance letter," in that it does not necessarily clear a structure; and it is not a "termite letter," in that it addresses more than just termites.

Insects commonly noted on the WDIR include subterranean termites, powder post beetles, old house borers, carpenter ants and sometimes carpenter bees. Other, less common insects may also be reported.

"Conditions conducive to subterranean termites" must also be reported. At a minimum, wood making direct soil contact, cellulose debris under a structure and excessively wet wood in the crawl space must be reported as conditions conducive to subterranean termites. Other conditions which may be conducive to termites include insufficient clearance between wood members and the soil, excessive moisture in the crawl space or poor grading. The PCO must evaluate these and other conditions individually for each property inspected.

You should know that WDIR inspections are difficult to perform correctly at best. Termites are very capable of finding the only possible entry point into a structure. They need only a 1/32 of an inch crack in a mortar joint or concrete expansion joint to enter a structure. They build earthen shelter tubes to reach the wood from the ground where they live. Termites can infest finished floors covered by vinyl flooring or carpeting, interior walls, and other areas which cannot be seen during a PCO's inspection. Furthermore, research has shown that termites can build tubes at the rate of approximately two and one-half inches per hour. Therefore, it is not impossible for termites to show up shortly after the structure has been inspected.

What conditions are not reported?

The PCO is not specifically required to report the presence of damage or the extent of any damage. However, if the WDIR indicates the wood-destroying insects are in the wooden members, it must be assumed there is some damage. The WDIR is not a structural damage report. Such evaluations should be left to a structural engineer, contractor or other building expert. A written report from one of these "experts" can then be attached to the WDIR.

The WDIR will not reveal the presence of or damage by wood-decay fungi (wood rot) or wildlife. Though the PCO may be the only individual who goes beneath or in the attic of a structure he is not responsible for reporting everything that may be wrong with the structure. Structural and electrical defects and plumbing and roof leaks are not his area of expertise, except as the latter may cause conditions conducive to termites. Home inspectors or other contractors must be called to determine the integrity of these building elements.

The PCO is not responsible for reporting any evidence which may be inaccessible at the time of the inspection. Buyers should take note of the areas listed on the form as inaccessible. If you are not satisfied with this, contact the PCO and ask for a more complete inspection and report.

What happens if evidence of wood-destroying insects is found?

When a PCO finds evidence of wood-destroying insects (such as termite tubes or cast wings, damage or exit holes from wood-boring beetles etc.) he must report its presence and specific location on the WDIR. The report must clearly indicate whether or not the insects have been or are in the wooden members. If no evidence of treatment exists, the PCO may submit a bid to treat the structure. However, this is secondary to the object of the report, i.e., to report the infestation. His job is to tell you or your (his) client that the wood-destroying insect infestation is present. His obligation is then fulfilled. It is up to the seller or buyer to contract for a treatment if necessary. If a treatment is performed, a copy of the treatment contract and warranty, if any, must be attached to the WDIR.

Treatment options vary depending on the insect found, extent of the infestation, whether a previous treatment has been performed and whether or not a warranty is desired. Powder post beetle, old house borer and other wood-boring beetle infestations can be treated by application of liquid insecticide to the surface of infested timbers, by controlling excessive moisture in the timbers or, by fumigating the entire structure (rarely recommended). Prior treatments for these insects are difficult or impossible to establish.

Subterranean termites are typically dealt with by applications of liquid pesticides to the soil and voids in masonry foundations, denying the termites access to the structure, or by the installation of termite bait systems. Liquid treatment may be partial, sometimes referred to as "spot treatment," or complete. If a prior treatment has been performed or if a warranty is not desired, a spot treatment may be satisfactory. However, if the termite infestation is widespread or a warranty is required, a complete treatment of the structure is usually recommended. Termite baits have the advantage of requiring much less pesticide and work by eliminating or suppressing the termite colony itself. They may, however, take longer to control the infestation and require the payment of quarterly or annual fees to maintain the protection.

The buyer and seller should discuss these options and agree on a treatment plan before the treatment is performed.

What should be done if the wood-destroying insects have reached the wood?

If the WDIR indicates the wood-destroying insects are in the wooden members, it must be assumed there is some damage. Ordinarily, a PCO is neither prepared nor qualified to repair damage to a structure. Repairs should be made by a building expert and the repair invoice attached to the WDIR by the Realtor, closing attorney or seller to show that the damage has been repaired. A PCO should not be expected or required to be a quality control inspector for carpenters, plumbers, etc. This is not his area of expertise nor the purpose of the WDIR. Furthermore, the issuance of a subsequent report indicating "no evidence" in such circumstances would be a violation of the structural pest control rules and could be considered to be fraud.

Most homes in North Carolina in excess of 10-15 years old will have some evidence of wood-destroying insects and could well have been damaged by such insects. Lending institutions and buyers need to realize that a "clear" report is not to be sought. The function of the WDIR is to report the presence of all visible evidence of wood-destroying insect infestation. If damage is present, it is the buyer's responsibility to ensure that it is repaired or evaluated and acknowledged as of no structural consequence by a qualified contractor or engineer. Just as an individual is willing to buy a used car with a few dents; so a homeowner, lender, etc., must be willing to accept some wood-destroying insect damage in an older home.

Conclusion

The potential buyer depends on this report to help in the decision-making process on the real estate purchase and obviously would be quite upset if misled by an improperly completed report. A so-called "clear" report is not mandatory in order for the transaction to be completed. The most important thing to remember is that the report must be, as required by law, a true indication of the presence or absence of evidence of wood-destroying insects. The report should be obtained early in the transaction and be read carefully by all concerned parties, paying particular attention to the introductory statements on the report and conditions governing the report printed on the reverse.

Questions concerning the WDIR in general or with regards to a specific inspection should be addressed to the Structural Pest Control Division of the North Carolina Department of Agriculture.