



Inspection Agreement

The address of the property at _____ this inspection is \$.00 based on the information provided to Superior Pest Management. This AGREEMENT made this _____ day of _____ (date of the inspection) by Superior Pest Management LLC (hereinafter “INSPECTOR”) and the undersigned (hereinafter “CLIENT”), collectively referred to herein as the “PARTIES.” The Parties understand and voluntarily agree to as follows: preventative

1. INSPECTOR agrees to perform a visual inspection of the home/building and to provide the CLIENT with a written inspection report. The report will be on the accepted form of which the state the home/building is located.
2. Unless otherwise inconsistent with this Agreement or not possible, INSPECTOR agrees to perform the inspection in accordance to the current state requirements.
3. The inspection and report are performed and prepared for the use of CLIENT, who gives INSPECTOR permission to discuss observations with real estate agents, owners, repairpersons, and other interested parties. INSPECTOR accepts no responsibility for use or misinterpretations by third parties. INSPECTOR’S inspection of the property and the accompanying report are in no way intended to serve as a guarantee or warranty, express or implied, regarding the use, operability, habitability or suitability of the home/building or its components.
4. Payment of the fee to INSPECTOR is due upon completion of the inspection. This fee may be paid by cash, check or credit card. If client is represented by a Realtor, payment may be postponed to the closing date provided that the closing date is not more then 30-days from the original inspection date and with a valid credit card on file. Closing date: _____ CLIENT understands that if for any reason the real estate deal does not occur and the home does not close, CLIENT is still liable for any and all unpaid fees. The CLIENT agrees to pay all legal and time expenses incurred in collecting due payments, including attorney’s fees, if any. If CLIENT is a corporation, LLC, or similar entity, the person signing this agreement on behalf of such entity does personally guaranty payment of the fee by entity.
5. The PARTIES agree that any litigation arising out of this Agreement shall be filled only in the Court having jurisdiction in the County in which the INSPECTOR has its principal place of business.

CC# _____ **Exp.date** _____

Superior Pest Management LLC has my permission to charge the inspection fee noted above to my card on the date of inspection. This helps to insure prompt delivery of report to all parties for the scheduled closing date.

X: _____
Signature/Card Holder Signature

OR

I will be responsible for payment through the scheduled closing date(Closing to be with-in 30-days of inspection) I understand that my card will be held and NOT charged unless payment is NOT received within 10 business days from the scheduled closing date. I am aware that if property does not proceed with the closing, I am responsible for all fees and my card will be assessed at notification of such occurrence.

X: _____
Signature/Card Holder Signature



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How is the pest inspection performed and what is inspected?

By law, an inspection for wood-destroying insects and their evidence is the careful visual examination of all accessible areas of a building and the sounding of accessible structural members adjacent to slab areas in contact with masonry walls and other areas particularly susceptible to attack by wood-destroying insects.

Evidence 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 inspection to be completed correctly, the pest control operator (PCO) must have access to **all** interior and exterior areas of the structure to be inspected.

Paragraphs I through 4 of the "Conditions Governing This Report" on the reverse side of the form, will discuss the extent of the inspection performed. Be familiar with these conditions. The PCO must indicate areas of the structure that 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. An inspection of inaccessible areas may necessitate the removal of walls and to provide access, which an additional fee may be charged.

What will be reported?

The WDIR is issued for informational purposes and is required to reveal information concerning evidence of 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 insects; it is a report of the visible presence or absence of wood-destroying insects at the time of the inspection. Though sometimes referred to as a clearance letter or a termite letter, 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 contacts, cellulose debris under a structure and excessively wet wood (wood moisture content of 20% or greater than) in the crawl space or other areas of the structure must be reported as conditions conducive to subterranean termites. The presence of wood-decay fungi may be listed as a condition conducive to subterranean termites. Other conditions that may be conducive to termites include insufficient clearance between wood members and the soil, excessive moisture in the crawl space, construction flaws or improper grading. The PCO must evaluate these and other conditions individually for each property inspected. 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 that cannot be seen during a PCOs 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 possible for termites to show up shortly after the structure has been inspected. This is also true when talking about old house borers. An inspection of the structure may not show evidence at the time of the inspection. However, depending on the age of structure they can become active after an inspection was performed.

What conditions are not reported?

The PCO is not required to report the presence of damage or the extent of any damage. However, if the WDIR indicates that wood-destroying insects and their evidence 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. 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 the 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

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contractors must be called to determine the integrity of these building elements. The PCO is not responsible for any evidence that may have been inaccessible at the time of the inspection. Buyers should take note of the areas listed on the form as inaccessible.

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 in the case of subterranean termites, 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 written agreement and warranty, if any, must be attached to the WDIR. Treatment options vary depending on the insect found the 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 an application of a 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 termites access to the structure, or by the installation of termite bait systems. Termite baits have the advantage of requiring much less pesticide and work by eliminating or suppressing the termite colony itself. 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 evaluate the extent of damage to a structure. A building expert should make the necessary repairs. The repair invoice may be attached to the WDIR. 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 or 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.