March 29, 1999
325/262

In Reply Refer To:
Information Letter 26-99-10

TO: All Lenders, Appraisers, Compliance Inspectors, and Builders

SUBJ: Revised Subterranean Termite Treatment Builder's Certification and Guarantee

1. **PURPOSE:** This is to notify all VA Loan Guaranty Program Participants that VA requirements for the builder's warranty against termite infestation in new homes are the same as outlined in the Department of Housing and Urban Development (HUD) Mortgagee Letter 99-3. Builders now must warrant against termite infestation in new homes for 1 year, a period of time that is in line with the terms of the other warranties provided by builders.

2. **ACTION**

   b. The National Pest Control Association (NPCA) has revised its form NPCA-99a, Subterranean Termite Treatment Builder's Certification and Guarantee, to reflect this change. This form also clarifies the responsibilities of the pest control operator and the builder and accepts the use of EPA registered baits and wood treatments as termite protection. Form NPCA-99b, New Construction Subterranean Termite Soil Treatment Record, must now be used in conjunction with NPCA-99a only if the property is treated with a soil termiticide. The licensed pest control company is responsible for completing form NPCA-99b, as appropriate, and providing it to the builder. The builder is responsible for attaching the forms together and distributing the completed forms to the lender. There is no change to the requirement that the lender, provide one copy to the buyer at closing and include a copy with the request for a VA loan Guaranty. If a State has more stringent record keeping requirements than NPCA-99b, the State form must be used.

   b. Copies of the revised NPCA-991 and the current NPCA-99b can be obtained from the National Pest Control Association at 8100 Oak Street, Dunn Loring, VA 22027 and other form suppliers. NPCA-99a and NPCA-99b are not VA forms and therefore are not available from VA or the Government Printing Office. This new form may be used immediately, however, its use is mandatory effective July 1, 1999.

3. We appreciate your participation in the VA Home Loan Guaranty Program.

/s/

JAMES L. BRUBAKER, JR.
Loan Guaranty Officer