

U.S. Department of Housing and Urban Development  
Washington, D. C. 20410-8000

November 15, 2010

**MORTGAGEE LETTER 2001-04**

**TO: ALL APPROVED MORTGAGEES**

**SUBJECT:** Protection Against Subterranean Termites in New Construction -  
Single Family Loan Production

This Mortgagee Letter announces the Department's interpretation of requirements in the HUD Minimum Property Standards (MPS) for Housing, and Mortgagee Letter 99-03, regarding protection against subterranean termites in proposed and new single family residential construction less than one year old. The Department has determined that if the property meets requirements in the International Residential Code (IRC) by the International Code Council (ICC), on protection against subterranean termites, (specifically Sections R323 and R324) they will satisfy the requirements in the MPS.

IRC Section R324 "Protection Against Termites", describes methods for preventing subterranean termite attack in houses in areas favorable to termite damage. The methods of protection shall be by chemical soil treatment, pressure preservatively treated wood, naturally termite resistant wood or physical barriers (such as metal or plastic termite shields), or any combination of these methods. Section R323 is then referred to which specifies the locations which require the use of treated or decay-resistant wood and the American Wood-Preserver's Association standards for the pressure treatment of the wood. Both Sections 323 and 324 are hereby adopted.

For easy reference, we have identified the areas requiring pressure treated or naturally decay-resistant woods below:

1. Wood joists or the bottom of a wood structure floor when closer than 18 inches (457 mm) or wood girders when closer than 12 inches (305 mm) to exposed ground in crawl spaces or unexcavated area located within the periphery of the building foundation.
2. All sills or plates that rest on concrete or masonry exterior walls and are less than 8 inches (203 mm) from exposed ground.
3. Sills and sleepers on a concrete or masonry slab that is in direct contact with the ground unless separated from such slab by an impervious moisture barrier.

4. The ends of wood girders entering exterior masonry or concrete wall having clearance of less than 0.5 inch (12.7 mm) on tops, sides and ends.
5. Wood siding, sheathing and wall framing on the exterior of a building having a clearance of less than 6 inches from the ground.
6. Wood structural members supporting moisture-permeable floors or roofs that are exposed to the weather, such as concrete or masonry slabs, unless separated from such floors or roofs by an impervious moisture barrier.
7. Wood furring strips or other wood framing members attached directly to the interior of exterior masonry walls or concrete walls below grade except where an approved vapor retarder is applied between the wall and the furring strips or framing members.

Builders and inspectors are reminded that it is important to correctly use and install preservatively treated wood. It shall not be used as a physical barrier unless it can be inspected for any termite shelter tubes around the inside and outside edges and joints of a barrier. Furthermore, field cut ends, notches and drilled holes of pressure preservatively treated wood shall be retreated in the field. Refer directly to the 2000 IRC for specific code requirements. This code may be purchased from BOCA International at 4051 W. Floosmoor Road, Country Club Hills, Illinois 60478, or by calling 1-800-214-4321.

FHA's four Homeownership Centers (HOCs) will establish the areas of the country requiring protection from termites, based on maps published in the IRC, or the CABO One and Two Family Dwelling Code, or the US Department of Agriculture's Bulletin 64.

Requirements in Mortgagee Letter 99-03 regarding the builder's warranty against termite infestation in homes are still valid and form NPCA-99a, Subterranean Termite Treatment Builder's Certification and Guarantee, is still required. Therefore, if using pressure preservatively treated wood as outlined in this Mortgagee Letter, on form NPCA-99a, under "Type of Treatment", check the box next to "wood" and add the statement: "Complies with Mortgagee Letter 2001-04 for use of preservatively treated wood." If the building does not require termite protection because there is no wood in the locations identified in this Mortgagee Letter (such as when using all steel, masonry or concrete building components), under "Type of Treatment" add in the space to the right of the block titled "Soil" the statement "Masonry (steel, or concrete) construction, no treatment needed. Complies with Mortgagee Letter 2001-04."

As indicated in Mortgagee Letter 99-03, the builder also has the option to use chemical soil treatment and baits as an acceptable method of termite prevention.

This Mortgagee Letter is effective for new construction started after 60 days from the date of this Mortgagee Letter.

Questions concerning this Mortgagee Letter should be addressed to the Homeownership Centers in Atlanta (1-888-696-4687), Denver (1-800-543-9378), Philadelphia (1-800-440-8647) or Santa Ana (1-888-827-5605).

Sincerely,

Shaun L. Donovan  
Deputy Assistant Secretary for  
Multifamily Housing Programs