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# Protecting Property from Termite Damage

THE IMPORTANCE OF PICKING THE RIGHT PEST CONTROL COMPANY



BY PETER M.  
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**W**hen the Earl of Chesterfield said, “Never put off till tomorrow what you can do today,” I’m pretty sure he was talking about condominium boards and termites. Indeed, few things are as important for those overseeing condominium complexes as protecting their unit owners’ investments from termites—and from disreputable pest control companies.



While the amount of money spent on such yearly pest control contracts may seem relatively puny—maybe a few thousand dollars a year—what’s at stake is anything but. Consider that an improper termite treatment and inspection could mean many millions of dollars in damages caused by these ravenous critters. In other words, it’s not just what is being paid for the contract—it’s what is being paid to protect the property.

In choosing a pest control service, consider going with mid-sized, regional companies. Typically the middle-range establishments are in solid financial condition and are intimately familiar with the issues particular to a specific area, such as climate and infestation trends. What’s more, solicit bids from multiple pest control firms. Pest control outfits aren’t all the same. Here’s the chance to see which is best for your property.

Perhaps the most crucial element of getting pest control service has little to do with eradicating bugs but rather with the relationship between the property manager or owner and the termite company. Read each bid’s contract very, very carefully. Then read the back of the contract—because quite often, all of the horrible disclaimers are on the back. Better yet, treat these contracts as you would any other important business contract and have an attorney read over them before they are signed.

Consider that many court cases involving property owners and major pest control corporations are sparked by what’s in disclaimers, for instance, that release the firm from all responsibility in the event of “moisture conditions.” Left unsaid, at least until you find yourself fighting to make your pest control outfit honor a claim, is just what moisture means. Does it mean rain? Or, does it mean fog? Either get a more specific definition, or strike this vague verbiage from your contract.

Among other tiny but mighty significant bits of contractual wording you’ll want to pay close attention to is the arbitration clause, which, if you sign it, basically means you’ll be forced to settle any disputes in arbitration rather than in the courts. Sounds like a great idea, right? After all, who wouldn’t prefer to come to a sane compromise? Yet, what this often means is that you’ll wind up signing away rights that could mean the difference between getting what you honestly deserve and getting

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a whole lot less. For this reason, I generally suggest you negotiate the disclaimers and arbitration clauses out of your contract before you sign it.

Also, make sure your contract includes a repair guarantee or bond. This is a warranty, which guarantees that if there is damage, the pest control service will take care of it. Like an insurance premium, as long as you make your renewal, you've got coverage forever if you purchase the lifetime guarantee. Many pest control firms pledge in contracts

a live termite—and not when they're swarming—but a live termite that is actively eating on your complex's wood is next to impossible. Avoid such disclaimers like the plague they are.

Lastly, you'll also want to make sure your contract doesn't include limitation on certain kinds of damages you can recover from the pest control company in the case of a dispute. Some contracts will seek to limit or eliminate the possibility of punitive damages.

Once the contract is in place, schedule the first property treatment, and accompany the technician as he or she does the job or have a trusted property manager do this. Even if you don't know what you're watching, you're less likely to be the victim of shortcuts if you're monitoring the process. Make sure that you then get a copy of the report, which is required by most states' laws, so that you have documentation of exactly what was done on the property.

The same holds true for annual inspections. Escort the

**ALERT YOUR PEST CONTROL FIRM AT THE FIRST SIGN OF TERMITE DAMAGE OR EVIDENCE OF THE BUGS THEMSELVES, INCLUDING WINGS, MUD TUBES, OR TRAILS. ASK YOUR TENANTS TO ALERT YOU IF THEY SEE ANY SUCH EVIDENCE OF TERMITE ACTIVITY.**

merely to retreat for termites—not to repair damage caused by them. That treating catastrophically damaged property is pointless is, well, the point for the pest control outfit.

Additionally, make sure the repair bond includes a sufficiently high dollar cap, or amount of money the pest control company is obligated to pay for repairs. For example, a million-dollar cap, while seemingly high, is rarely enough to repair or replace even a modest-sized condominium complex. A single building alone can represent several million dollars to repair or replace. Get the highest dollar cap you can.

A particularly pernicious disclaimer often found in pest control contracts is the live termite exclusion. Here's where they essentially say that they're responsible to repair all termite damage as long as you can produce an example of a live termite. What they neglect to mention is that finding



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technician and get a report from him. Keep in mind that condominium communities can be especially vulnerable when it comes to inspections. For example, proper inspection of a 300-unit, 15-building complex can take one competent person a couple of days. So make sure that every building is inspected, both in the exterior and interior. Some property managers or owners may see this as a tenant disruption, but it's a once-a-year inspection, so with proper notice it shouldn't be an issue. Pest control companies are required to do interior inspections according to their own protocols and industry practices.

Finally, alert your pest control firm at the first sign of termite damage or evidence of the bugs themselves, including wings, mud tubes, or trails. Ask your tenants to alert you if they see any such evidence of termite activity. If you do find anything suspiciously termite-like, fax or mail a letter to the company detailing exactly what has been found. The company then has an obligation to inspect immediately, so remaining vigilant and keeping a log is the best method of ensuring a quick response.

Remember that termites do their nasty business in the dark, so to speak. They live a secret and hidden life, so the sooner you find them, the sooner you can take care of them and protect your property.

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