

TO: All Interested Parties  
FROM: North Carolina Department of Insurance  
DATE: November 30, 2018

Re: Identification of Water Damages in Adjusting Hurricane Claims for Water Losses Other Than Flood

The North Carolina Residential Codes from 1968 through 1997 required a vapor retarder (perm rating 1.0, Kraft paper) on the interior of walls. These Code editions also required 4-mil polyethylene on the interior of walls where either unfaced blanket insulation was installed or when the exterior sheathing had a permeance of less than 0.6. These code requirements were reduced for certain counties in 2002 and, again, in 2006. However, the same vapor retarder could be installed voluntarily in current construction.

For the exterior of walls, a weather-resistant barrier (sheathing paper, Tyvek) is currently required behind exterior siding or veneers. The weather-resistant materials resist moisture but allow vapor to pass under normal conditions.

In adjusting hurricane damage claims for homes within the 1968-1997 applicable residential code period, it is important that the inside of the walls be checked more carefully than newer construction to ensure that moisture hasn't seeped into the walls that will eventually result in mold and interior wall rot. If adjusters do not look for moisture build-up trapped inside the wall, then this damage could be missed, causing mold and rot to proliferate and resulting in bigger problems for homeowners in the future.

To detect moisture behind the walls may require the use of specific equipment, such as a deep scan moisture meter or a FLIR heat image camera. Adjusters cannot simply rely upon a visual inspection because evidence of the interior moisture damage may not be present on the walls for a long period after the claims have been settled and paid. It is imperative that adjusters be aware of this problem and follow inspection protocols to ensure that properties are thoroughly cleared.

Should you have any questions regarding this matter please address them to Angela Hatchell at [angela.hatchell@ncdoi.gov](mailto:angela.hatchell@ncdoi.gov).