

> Clearly show the location of private wells and septic systems on the site sketch and note the distance between the two.

b. Unacceptable Conditions

The following water well conditions are unacceptable and must be noted in VC-4:

- o mechanical chlorinators
- o water flow that decreases noticeably when simultaneously running water in several plumbing fixtures (the well may not be able to provide a continuous, adequate supply of water)
- o properties served by dug wells unless a complete survey conducted by an engineer was delivered to the lender and subsequently given to the appraiser
- o properties served by springs, lakes, rivers or cisterns (3-6)

To be considered acceptable, the engineer's survey must include these items:

- o a health report with no qualifications
  - o indication that an inoperative well was cased, sealed and capped with concrete to a depth of at least 20 feet
  - o a pump test indicating a flow of at least 3-5 gallons per minute supply for an existing well, and 5 gallons per minute for a new well
  - o an acceptable septic report
  - o no indication of exposure to environmental contamination, mechanical chlorination or anything else that adversely affects health and safety
- > If these requirements for individual wells or septic tanks are not met, note them in VC-4 and prepare the appraisal "as-repaired" subject to further inspection.

The lender will require the engineer's follow-up report and will arrange for any required corrective measures.

## 6. Wood Structural Components: Termites

Termites can cause serious problems in the wood structural components of a house and may go undetected for a long period of time. FHA requires maximum assurances that a home is free of any infestation. A pest inspection is always required for:

- (3-6)
  - o any structure that is ground level
  - o any structure where the wood touches ground

Structures in a geographic area with no active termite infestation may not require a pest inspection. However, the appraiser must always note:

- o any infestation
- o any damage resulting from previous infestation
- o whether damage from infestation has been repaired or is in need of repair

Observe all areas of the property that have potential for termite infestation, including the bottoms of exterior doors and frames, and wood siding in contact with the ground and crawl spaces. Examine mud tunnels running from the ground up the side of the house for possible evidence of termite infestation.

- > If there is any evidence of termite infestation, require an inspection by a reputable licensed termite company. Mark "YES" in VC-5, condition the appraisal on the requirement and prepare the appraisal "as-repaired" subject to the satisfaction of the condition.

For specific instructions on noting this information in the VC Form, see VC-5 in the protocol (Appendix D).

## 7. Streets

Each property must be provided with safe and adequate pedestrian and vehicular access from a public or private street. Private streets must be protected by permanent recorded easements and have joint maintenance agreements or be owned and maintained by a HOA.

All streets must provide all-weather access to all buildings for essential and emergency use, including access for deliveries, service, maintenance and fire equipment. FHA defines *all-weather surface* as a road surface over which emergency vehicles can pass in all types of weather. Streets must either be:

- o dedicated to public use and maintenance

OR

- o retained as private streets protected by permanent recorded easements (when approved by HUD)
- > If these requirements are not met, mark "YES" in VC-6 and prepare the appraisal "as-repaired" subject to the correction of this deficiency.