



Potable Water Certification

Borrower:

Subject Property:

Well Type (undersigned party to check correct Well type):

- Existing Private Well
- Existing Shared Well
- New Private Well*
- New Shared Well* (No more than 4 owners)

This certification confirms that the undersigned party (either the Home Retailer or General Contractor) accepts full responsibility for making sure there is an adequately producing water well and that the quality of the water passes at local and HUD levels, enabling the lender to close on permanent financing. To prevent complication at the close of permanent financing, it is recommended that the well water be tested prior to close of the construction loan so that any costs associated with getting a final test, i.e.... water treatment system, cleaning, and/or maintenance, can be considered in the costs associated with construction financing. Once the construction loan is closed, any additional funds that were not considered in the final signed bids provided to the Lender, and are needed to bring potable water to the new home will need to be fully covered by the undersigned party.

Initial water tests completed prior to the close of construction financing does not prevent the need of a final water test from a source within the new home. The initial water test should only be used to ensure that a final can be issued without complication or additional financial burden. A feasibility study of well placement is also recommended to make sure that the water source is located outside all State and Federal set back guidelines as they relate to existing or proposed septic and leach field installations.

Once the Lender has signed off on the final FHA inspection, water test results, and the loan has been modified, the undersigned party is released of any and all future liability as far as the Lender is concerned. This release of liability is for lending purposes only and does not preclude any liability associated with any State or Local jurisdiction requirements.

Please be advised that the following distance requirements **MUST** be met on all FHA loans:

- Well to Chemically Treated Soil – 25’ minimum**
- Well to Septic Tank – 50’ minimum**
- Well to Drain Field – 100’ minimum**
- Well and Septic to Property Line – 10’ minimum**

**Note that when a new well is being dug, no construction draws will be released until satisfactory evidence has been provided to the lender that the well is dug and producing adequate water.*

Responsible Party (General Contractor or General Manager)

Date