

Private Road Requirements

Towne Mortgage Company

	Guideline	Requirement
Fannie	<p><i>Selling Guide Part B-1.4-08, Appraisal Report Review: Off-Site Improvements</i> Community-Owned or Privately Maintained Streets</p> <p>If the property is located on a community-owned or privately-owned and maintained street, and adequate, legally enforceable agreement or covenant for maintenance of the street is required. The agreement or covenant should include the following provisions and be recorded in the land records of the appropriate jurisdiction:</p> <ul style="list-style-type: none"> • Responsibility for payment of repairs, including each party’s representative share; • Default remedies in the event a party to the agreement or covenant fails to comply with his or her obligations; and • The effective term o the agreement or covenant, which in most cases should be perpetual and binding on any future owners 	<p>-Private road maintenance agreement -Permanently dedicated easement</p> <p>**Both items should recorded and obtainable by title company.**</p>
Freddie	<p><i>Single-Family Seller/Service Guide, Volume 1, Chapter 44.2: General property eligibility requirements</i></p> <p>(a) The Mortgage Premises must:</p> <ul style="list-style-type: none"> • Have legal access (ingress and egress) • Have year round access 	<p>-Permanently dedicated easement</p> <p>**Easement should be recorded and obtainable by title company.**</p>
FHA	<p><i>4150.2 Valuation Analysis for Home Mortgage Insurance for Single Family One to Four Unit Dwellings, Chapter 3-6.A., 7.: Streets</i></p> <p>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.</p> <p>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:</p> <ul style="list-style-type: none"> • Dedicate to public use and maintenance; or <p>Retained as private streets protected by permanent recorded easements (when approved by HUD)</p>	<p>-Permanently dedicated easement</p> <p>**Easement should be recorded and obtainable by title company.**</p>
RD	<p><i>Federal Register Volume 78 Number 236 Subpart E – Underwriting The Property – 3555.201 Site Requirements</i></p> <p>(3) The site must be contiguous to and have direct access from a street, road, or driveway. Streets and roads must be hard surfaced or all weather surfaced and legally enforceable</p>	<p>-Private road maintenance agreement -Permanently dedicated easement</p> <p>**Both items should recorded and obtainable</p>

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	arrangements must be in place to ensure that needed maintenance will be provided.	<i>by title company.**</i>
VA	<p><i>Lender's Handbook, Chapter 12.05: Access To Property</i></p> <p>Each property must be provided with a safe and adequate pedestrian or vehicular access from a public or private street.</p> <p>Private streets must be</p> <ul style="list-style-type: none"> • Protected by a permanent easement, and • Maintained by a homeowners association or joint maintenance agreement. <p>All streets must have an all-weather surface.</p>	<p>-Private road maintenance agreement</p> <p>-Permanently dedicated easement</p> <p><i>**Both items should recorded and obtainable by title company.**</i></p>

What do I do if my property does not meet the specific guidelines or I cannot obtain the required documentation?

If you currently have a loan that does not meet the requirements set forth by the specific agency or loan program, you will need to change programs. In most instances, a Fannie loan can easily be flipped to Freddie or FHA and a VA or RD loan can be easily flipped to FHA. If you run into a situation where your specific property does not meet guidelines, please review the chart to see which loan program your property will qualify for.

Can any exceptions be made to the above guidelines?

The above chart outlines the specific guidelines that each agency has in regards to private roads. As these are agency guidelines that can be found in their handbooks, we are not able to make any exceptions and the loan will need to be restructured to a different loan program.