

EARLY START LETTER

This is in response to your request for permission to start construction on a proposed property, FHA case number _____, located at _____,

The Builders Certification (Form [HUD 92541](#)) and the Agreement to Execute a Builder's Warranty of Completion of Construction (Form HUD 92541- A), that you submitted, are acceptable. You are hereby advised that the property is approved for mortgage insurance prior to the beginning of construction. This determination permits you, the builder, to begin construction without affecting the amount of the maximum insurable mortgage.

This letter is not to be construed as a commitment for insurance. Final acceptance is always subject to site acceptability. Any commitments that may be issued will be governed by the provisions of the National Housing Act and the HUD Regulations in effect at the time of issuance. The amount and terms of the insurable mortgage will be governed by underwriting processing. The expiration date of any commitment will be _____ (9 or 12) months from the date of this letter.

Assuming that Form [HUD 92800.5B](#), Conditional Commitment / Direct Endorsement Statement of Appraised Value is issued, it will set forth the value and the amount, terms and conditions as may be prescribed by this office. For the initial inspection, please contact the following private fee inspector:

A complete copy of the construction exhibits must be on site, and must be identical to those submitted to the fee appraiser for valuation purposes. Construction must not proceed beyond the framing stage prior to the receipt Form [HUD 92800.5B](#) from this office. The framing stage is defined as a building that is enclosed and roofed, structural framing completed and exposed, and rough-in heating, plumbing and electrical work installed, and visible for inspection.

Upon receipt of Form [HUD 92800.5B](#), Conditional Commitment / Direct Endorsement Statement of Appraised Value, please ensure that all conditions are properly complied with. Failure to respond to all requirements could result in delays to the endorsement of the loan and possibly affect HUD's insurable risk on the property.

Your cooperation in regard to these requirements is appreciated.
