

FHA INSPECTION CHECK LIST
 (Prepared for use with FHA/HUD Handbook 4150.2)
Cliff Odom, RAA Birmingham, AL

VC-1 Location Hazards And Nuisances

	<u>Inspection Check List</u>	
	Yes	No
a. Subsidence/Sink holes	_____	_____
b. Operating oil or gas wells within 300 feet of existing construction..... (Includes gasoline stations within 300 feet of home; however, it would not necessarily render the property unacceptable.)	_____	_____
c. Operating oil or gas wells with 75 feet of new construction.....	_____	_____
d. Abandoned oil or gas wells within 10 feet of new/existing.....	_____	_____
e. Readily observable evidence of slush pits	_____	_____
f. Excessive noise or hazard from heavy traffic area.....	_____	_____
g. New/proposed construction in airport clear zone.....	_____	_____
h. High-pressure gas or petroleum lines within engineering 10 feet or property.....	_____	_____
i. Overhead high voltage transmission lines within engineering (Designed) fall distance..... (Low voltage power lines may not pass directly over the primary living unit , including pools, on the property being insured by HUD)	_____	_____
j. Excessive hazard from smoke, fumes, offensive noises or odors.....	_____	_____
k. New/proposed construction in Special Flood Hazard Areas	_____	_____
l. Stationary storage tanks with more than 1000 gallons of flammable or explosive material.....	_____	_____

PROPERTY CONSIDERATIONS:

VC-2 Soil Contamination

a. On-site septic system shows readily observable evidence of system failure... (Visually inspect septic system and its surrounding area)	_____	_____
b. Surface evidence of an Underground Storage Tank (UST).....	_____	_____
c. Proximity to dumps, landfills, industrial sites or hazardous materials.....	_____	_____
d. Presence of pools of liquid, pits, ponds, lagoons, stressed vegetation, Stained soils or pavement, drums or odors.....	_____	_____

VC-3 Grading and Drainage

- a. Grading does not provide positive drainage from structure..... _____
 (Proper drainage includes gutters and downspouts or appropriate grading or landscaping to divert the flow of water away from the foundation)

- b. Standing Water proximate to structure..... _____
 (Note any evidence of standing water near the house that indicates improper grading. Look for ponding of water in the yard that may enter the foundation)

VC-4 Well, Individual Water Supply and Septic

- a. Property lacks connection to public water..... _____
 (Lender will require water testing for “yes” response. – Determine whether connection to a public system is feasible).

 If a dug well serves the property – mark “YES)
 A well must be a minimum of 50 feet from a septic tank, 100 feet from the septic Tanks drainfield and a minimum of 10 feet from any property line.
 NOTE: If the property is served by dug wells, springs, lakes, cisterns or rivers It is INELIGIBLE.

- b. Property lacks connection to public/community sewer system..... _____
 (Note the sewage connection – Public/community or septic)
 Determine whether connection to a public system is feasible.
 If connection is feasible, hookup is MANDATORY. Report to the Lender Where the sewer line is located, distance from house and feasibility.

 NOTE: If house is vacant - require septic tank service and inspection.

VC-5 Wood Destroying Insects

- a. Structure and accessory buildings are ground level and/or wood is Touching ground..... _____
 (If the structure is ground level or if the structure is wood and touches the ground, a termite inspection is required)
 For condominiums, termite inspections are required for first floor units only.

 (Inspection of the subject property include mud tunnels running from the ground up and the side of the house, swarms around wood structures and small piles of wings around windows. Look for excessive dampness or large areas where the vegetation is dead)

- b. The house and/or other structures within the legal boundaries of the Property show obvious evidence of active termite infestation..... _____
 (Inspect all buildings/structures located on the subject site)

VC-6 Private Road Access and Maintenance

- a. Property inaccessible by foot or vehicle..... _____
 (All roads must have vehicular and pedestrian access)
- b. Property accessible only by private road or drive..... _____
REAC FAQ Note: The title search should reveal recorded easements. However, it is the DE Underwriter's responsibility to determine if the title policy shows sufficient evidence of a Permanent recorded easement.
- c. Property is not provided with an all-weather surface (gravel is acceptable). _____
FHA Note. FHA defines all-weather surface as a road surface over which emergency Vehicles can pass in all types of weather. Provide a detailed description of the roads Condition.

VC-7 Structural Conditions

Floor Support Systems.

- a. Significant Cracks..... _____
 (Examine the flooring/joists for any signs of water leakage or damage, holes, large cracks in Concrete slabs, leakage and readily observable evidence of rodent or termite infestation/ Damage, temporary supports or jacks or piers).
- b. Evidence of water/leakage or damage..... _____
- c. Rodent infestation..... _____

Framing/Walls/Ceiling

- d. Significant Cracks..... _____
- e. Visible holes in exposed areas that could effect structure..... _____
- f. Significant water damage..... _____

Attic

- g. Evidence of holes..... _____
- h. Support structure not intact or damaged..... _____
- i. Significant water damage visible from interior..... _____
- j. No ventilation by vent, fan or window..... _____

REAC FAQ Note: The attic must be examined whether access is by pull-down stairway Or scuttle. At a minimum head and shoulders entry. However, size and accessibility Dictates the level of entry.

Enter the attic and observe the interior roofing for insulation. Deficient materials, leaks or Readily observable evidence of significant water damage, structural problems, previous fire Damage exposed or frayed wiring and adequate ventilation by vent, fan or windows.

NOTE ON INSULATION: Make every effort to determine if insulation is present and the type. Enter the R factor or show depth and location. This is required on the URAR under insulation.

Inspection Check List

VC-8 Foundation

Foundation/Basement

- | | Yes | No |
|---|-------|-------|
| a. Inadequate access.....
(Examine the foundation/basement for inadequate access). | _____ | _____ |
| b. Evidence of significant water damage.....
(Examine the basement and crawl space for water damage) | _____ | _____ |
| c. Significant cracks or erosion in exposed areas that could effect structural Soundness.....
(Examine the foundation for cracks, erosion and items, which could effect structural Soundness). | _____ | _____ |

Crawl Space

- | | | |
|---|-------|-------|
| d. Inadequate access.....
(Examine the crawl space for inadequate access, distance from floor joists to ground, Insulation, ventilation and any other structural problem). | _____ | _____ |
| e. Space inadequate for maintenance and repair..... | _____ | _____ |
| f. Support beams not intact..... | _____ | _____ |
| g. Excessive dampness or ponding of water..... | _____ | _____ |

REAC FAQ Note: The minimum distance is 18 inches from the bottom of the joists. The Appraiser will enter the crawl space (at a minimum entry of the head and shoulders) to Observe conditions. The appraiser will examine the crawl space for inadequacies.

- a. There must be adequate access to the crawl space.
- b. The floor joists must be sufficiently above ground level to provide access.
- c. The crawl space must be clear of all debris and trash and must be properly vented.
- d. The crawl space must not be excessively damp and must not have any water ponding.
- e. If dampness is noted, a vapor barrier is required.

VC-9 Roofing

- | | | |
|--|-------|-------|
| a. Does not cover entire house.....
(Note if the roof covers the entire home, if the roof has been repaired, or patched Substantially, if material used on the roof was suitable for the subject property) | _____ | _____ |
| b. Evidence of deterioration of roofing materials.....
(Look for evidence of shingles curling up and breaking off).
NOTE: An excellent tool for inspecting the roof is a pair of binoculars when observing the Roof from the ground. | _____ | _____ |
| c. Roof life is less than two years.....
(HUD requires that the roof have at least 2 years remaining life) The condition must clearly state whether the roof is to be repaired or re-roofed. FHA will accept a maximum of 3 layers of existing roofing. If more than 2 layers of existing roofing, and repair is necessary, then all old roofing must be removed as part of the re-roofing. | _____ | _____ |
| d. Holes..... | _____ | _____ |
| e. Signs of leakage observable from the ground.....
(Observe ceilings when inside the house. A stained or darkened ceiling inside the home is an indication that the roof is leaking. When inspecting the attic, look for leaking roof, and be observant around chimney flashing, pipe flashing and where guttering is backing up water). | _____ | _____ |
| f. Flat Roof.....
(All flat roofs require inspection) | _____ | _____ |

Inspection Check List

Yes No

VC-10 Mechanical Systems

The Appraiser must examine ALL mechanical, plumbing, and electrical systems in the subject Property to ensure that they are in proper working order. This examination entails turning on The applicable systems and observing their performance.

Furnace/Heating System

- a. Unit does not turn "On" _____
- b. Warm air is not emitted..... _____
- c. Unusual or irregular smell is emitted..... _____
- d. Smoke or irregular smell is emitted _____
- e. Unit shuts down prior to reaching desired temperature..... _____
- f. Significant holes or deterioration on the unit(s)..... _____
(Determine if there is an installed heat or cool-air source in each room by using the system's normal operating controls).

Air Conditioning (central)

- g. Unit does not turn "On" _____
- h. Cold air is not emitted..... _____
- i. Irregular noises are heard..... _____
- j. Smoke or irregular smell is emitted..... _____
- k. Unit shuts down prior to reaching desired temperature..... _____
- l. Significant holes or deterioration on the unit(s)..... _____

Electrical System

- m. Electrical switches do not turn "on" or "off" _____
- n. Outlets do not function (check representative sample)..... _____
- o. Presence of sparks or smoke from outlet(s)..... _____
- p. Exposed wiring visible in living areas..... _____
- q. Frayed wiring..... _____
REAC FAQ Note: For multiple identical components such as windows and electrical Outlets, one such component per room. For multiple identical exterior components, One such component on each side of the building.

(Examine the electrical box to ensure that there are circuit breakers with no visible frayed wiring or exposed wires in living areas and that there is adequate amperage for the appliances present in the property).

(If the appliances present at the time of the inspection do not appear to be reasonable (undersized), determine if there is adequate amperage to run "standard" appliances, as per municipal code. (Require an electrical inspection by a licensed electrician).

Inspection Check List

Yes No

Plumbing System

Toilet

- r. Toilets do not function.....
(Observe how quickly the water flushes from the toilet - if slow, check septic tank) _____ _____

- s. Presence of leak(s).....
(Flush toilets and turn on ALL faucets to determine that the plumbing is intact).
(Check immediate flooring around toilet - look for weakness in floor when applying weight directly to the floor). _____ _____

Leaks

- t. Structural damage under fixtures.....
(Inspect plumbing under kitchen and bathroom sinks/lavatory) _____ _____

- u. Puddles present..... _____ _____

Sewer System

- v. Observable surface evidence of malfunction.....
(Check to see if toilet flush quickly and properly). _____ _____

Sinks

- w. Basin or pipes leak..... _____ _____

- x. Water does not run..... _____ _____

Water

- y. Significant drop or limitation in pressure..... _____ _____

- z. No hot water.....
(Turn on hot water to ensure that the hot water heater is operating appropriately).
(Turn on several cold water faucets in the house to check water pressure and flow). _____ _____

Inspection Check List

Yes No

VC-11 Other Health and Safety Deficiencies

(Provide a description of yes responses on Page 4 of VC Sheet)

- a. Multiple Broken windows..... _____
REAC FAQ Note: ALL broken windows should be repaired or replaced, as necessary. (even if there is only one broken window).
- b. Broken or missing exterior stairs..... _____
(Look for broken or missing steps on stairs and steps to porch and decks - if broken or missing make a requirement for repair or replacement of the missing steps).
- c. Broken or missing exterior doors..... _____
- d. Inadequate/blocked entrances or exits..... _____
NOTE: All exterior doors should be operated to determine if they would open and close)
- e. Steps without handrails..... _____
REAC FAQ Note: When is a handrail necessary? "Usually three or more risers. However, If situation poses a safety issue for the occupants, a condition requirement should be made Regardless of the number of risers.
- f. The mechanical garage door does not reverse or stop when meeting reasonable resistance during closing..... _____
- g. Please identify location of all health and/or safety deficiencies, and note others Not included in this or any other VC on the comment page. _____

NOTE: Other health and safety items.

- a. **Bedroom Egress: Occupants must be able to get outside the home if there is a fire. If An enclosed patio (solid walls) covers the bedroom window, it is possible that the Bedroom won't qualify as a habitable bedroom.**
- b. **All water heaters must have a non-adjustable temperature and pressure-relief valve. If the water heater is in the garage, it must comply with local building codes.**
- c. **All non-conventional heating systems - space heaters and others - must comply with Local jurisdictional guidelines. Heating must be adequate for healthful and comfortable Living conditions.**
- d. **The appraiser must operate a representative number of windows, interior doors, and all Exterior and garage doors, as well as verify that the electric garage door operator will Reverse or stop when met with resistance during closing.**

VC-12 Lead Based Paint Hazard

For any home built prior to 1978, check for evidence of defective paints surfaces, including: peeling, Scaling or chipping pant. Both exterior and interior surfaces must be inspected.

Provide a description of yes responses on Page 4:

- a. Evidence on interior..... _____
- b. Evidence on exterior..... _____
(Inspect the interior and exterior surfaces - walls, stairs, deck porch, railing, windows and doors - for defective (chipping, flaking or peeling). Exterior surfaces include those surfaces on fences, detached garages, storage sheds and other outbuildings and appurtenant structures.

Inspection Check List
Yes No

VC-13 Condominiums and Planned Unit Developments (PUD)

- a. This project is not on FHA's approval list..... _____
- b. The property does not meet owner-occupancy standards..... _____
- c. This property does not meet completion standards..... _____

NOTES FOR CONDOMINIUM AND PUD DEVELOPMENTS:

- a. Verify that the CONDO/PUD approval number exists. (The Lender must supply the approval Number on the appraisal). If the number is not supplied by lender mark the item "YES" and Condition the appraisal on obtaining approval of the condominium or PUD.
- b. If the project is not approved mark "YES" in the VC and condition the appraisal on this Information.
- c. The project must be at least 51% owner-occupied.

Description of Responses and Related Comments

VC#	Section	Comments
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

*This document was prepared by Cliff Odom, RAA, Cliff Odom Appraisal Service's, Inc
872 Ivawood Road, Birmingham, AL 35210 Telephone: (205) 951-0398*