

Letter of FHA Appraisal Inspection Requirements:

This email is being sent to notify you that an appraisal is being conducted on your property for an FHA loan. Before the inspection takes place, certain requirements must be met to comply with FHA guidelines. Addressing these items in advance will help avoid the need for repairs and a second inspection, which would incur **additional costs**. Ensuring compliance with these standards will facilitate a smooth inspection process and help meet minimum HUD guidelines.

Below are the **most common** issues that may result in a **required** reinspection:

- 1) **Peeling Paint:** Homes built in 1978 or earlier must have no peeling paint anywhere on the property. Hard Stop. Any peeling paint, regardless of size, must be reported. FHA will require any and all peeling paint to be scraped and repainted before the inspection to avoid a mandatory second visit. *This is by far the most common cause of a reinspection, and it is an unnecessary expense for the borrower.*
- 2) **Smoke Detectors:** Smoke detectors must be properly installed on walls or ceilings. Detectors left uninstalled or in their packaging will trigger a reinspection.
- 3) **Attic Access:** If the home has an attic, clear access must be provided. In cases where the attic is in a cluttered garage, a clear path must be made available, along with a ladder or drop stairs. Failure to provide access will result in reinspection.
- 4) **Appliances:** All installed appliances must be functional. FHA requires the testing of all installed appliances during the inspection. Non-working appliances will require repairs and an additional inspection.
- 5) **Water Supply:** Running water must be available, and the hot water must be tested. A lack of functioning water will necessitate repairs and reinspection.
- 6) **Rotted Wood:** Any rotted wood attached to the home, including fences that make contact with the structure, must be repaired before inspection.
- 7) **Bars on Windows:** Are perfectly acceptable per FHA, however, it is required that they be open at the time of inspection. Windows with bars that cannot be opened or are not removed will require correction and reinspection.
- 8) **Electrical Issues:** All electrical outlets must have plate covers. No exposed wiring is permitted. Any uncovered outlets or exposed wiring will automatically trigger a reinspection.
- 9) **Clutter:** Excessive clutter, particularly if it obstructs flooring or walls, may require removal before the inspection. In extreme cases, lenders may require a final inspection.

10) **Air Conditioning:** If an AC unit is present, it must be fully functional, including cooling capabilities i.e. blowing cold air.

11) **Toilets:** All toilets must be in working order and able to flush properly. No exceptions.

12) **Leaks:** No active leaks are permitted, whether from the roof or plumbing. Any observed leaks must be repaired prior to inspection.

13) **Broken Windows:** Any broken windows must be repaired. Small cracks may be acceptable, but sharp or hazardous glass will require replacement. Boarding up windows is not an acceptable solution.

14) **Locked Doors:** All rooms must be accessible during the appraisal. If any doors are locked at the time of inspection, FHA will not accept the final report until all rooms have been entered and photographed. Time does not permit the appraiser to wait for access to any part of the home. Failure to provide access will result in reinspection.

15) **Environmental Hazards:** Gas cans, oil bins, or similar hazardous materials must not be stored in the yard, particularly against the home.

16) **Health and Safety Hazards:** Any observable hazards that could pose a risk must be addressed before the inspection.

These are the **most common** issues that lead to a second inspection, though additional factors may apply on a case-by-case basis. While appraisers are required to conduct a reinspection when necessary, addressing these items in advance will help prevent unnecessary costs and delays. These are not arbitrary requests but FHA requirements that must be met for loan approval. Preparing the property accordingly will help streamline the appraisal process.

Thank you for your attention to these requirements.

Best regards,

[Your Name]

[Your Contact Information]

Disclaimer: This letter provides a general overview of common FHA appraisal requirements but is not an exhaustive list of all FHA guidelines. Additional property conditions may be required for loan approval based on the specific home and lender requirements. For complete guidance and compliance, consult a **qualified lender, realtor, or FHA professional** before the appraisal.