



FHA Appraisal Checklist - Health & Safety

The One Bank / Michael Ferris / 22 May 2023 /
Andrew Hawke

Complete

Score	93.26%	Flagged items	6	Actions	0
Lender / Bank	The One Bank				
Borrower Name	Michael Ferris				
Location	Marion, IA, USA (42.033279, -91.5968958)				
Conducted on	22.05.2023 16:00 PST				
Inspector Name	Andrew Hawke				

Flagged items

6 flagged

Audit / Location Hazards

Operating oil or gas wells with 75 feet of new construction

Yes

Main house gas pipeline is facing a Main Street gas pipe

Audit / Wood Destroying Insects

Structure and accessory buildings are ground level and/or wood is touching ground

Yes

Garden area touching the ground



Photo 5

Audit / Foundation

Space inadequate for maintenance and repair

Yes

Crawl space doesnt have enough space for maintenance.

Audit / Roofing

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.

Yes

Roof deterioration at south side

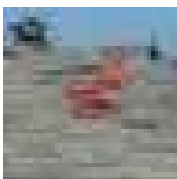


Photo 6

Audit / Mechanical Systems

No hot water

Yes

Water didn't get hot

Audit / Other Health and Safety Deficiencies

Other health and/or safety deficiencies not mentioned above? Please describe others and identify location of others not included in this or any categories.

Yes

Roof needs repair

Water heating is not working
Wall at garden area touching the ground
Crawl space is not enough for repair

Property photos

Front



Photo 1

Sides

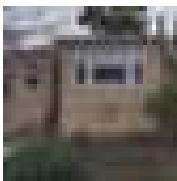


Photo 2

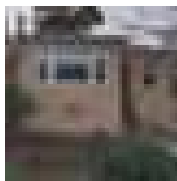


Photo 3

Back

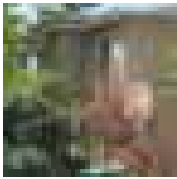


Photo 4

Location Hazards

1 flagged, 91.67%

Subsidence/Sink holes	No
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.)	No
Operating oil or gas wells with 75 feet of new construction Main house gas pipeline is facing a Main Street gas pipe	Yes
Abandoned oil or gas wells within 10 feet of new/existing	No
Readily observable evidence of slush pits	No
Excessive noise or hazard from heavy traffic area	No
New/proposed construction in airport clear zone	No

High-pressure gas or petroleum lines within engineering 10 feet or property No

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) No

Excessive hazard from smoke, fumes, offensive noises or odors No

New/proposed construction in Special Flood Hazard Areas No

Stationary storage tanks with more than 1000 gallons of flammable or explosive material No

Soil Contamination 100%

On-site septic system shows readily observable evidence of system failure (Visually inspect septic system and its surrounding area) No

Surface evidence of an Underground Storage Tank (UST) No

Proximity to dumps, landfills, industrial sites or hazardous materials No

Presence of pools of liquid, pits, ponds, lagoons, stressed vegetation, stained soils or pavement, drums or odor No

Grading and Drainage 100%

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) No

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) No

Well, Individual Water Supply and Septic 100%

Property lacks connection to public water (Lender will require water testing for "yes" response. – Determine whether connection to a public system is feasible) No

If a dug well serves the property – choose "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.

Property lacks connection to public/community sewer system (Note the sewage connection – Public/community or septic)

No

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.

Wood Destroying Insects

1 flagged, 50%

Structure and accessory buildings are ground level and/or wood is touching ground

Yes

Garden area touching the ground



Photo 5

(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)

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)

No

Private Road Access and Maintenance

100%

Property inaccessible by foot or vehicle (All roads must have vehicular and pedestrian access)

No

Property is corner lot. Accessible by road and foot.

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)

No

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.

No

Structural Conditions

100%

Floor Support Systems:

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)

No

Evidence of water/leakage or damage

No

Rodent infestation

No

Framing/Walls/Ceiling:

Significant Cracks

No

Visible holes in exposed areas that could effect structure

No

Significant water damage

No

Attic:

Evidence of holes

No

Support structure not intact or damaged

No

Significant water damage visible from interior

No

No ventilation by vent, fan or window

No

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.

Foundation

1 flagged, 85.71%

Foundation/Basement:

Inadequate access (Examine the foundation/basement for inadequate access)

No

Evidence of significant water damage (Examine the basement and crawl space for water damage)

No

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)

No

Crawl Space:

Inadequate access (Examine the crawl space for inadequate access, distance from floor joists to ground, insulation, ventilation and any other structural problem)

No

Space inadequate for maintenance and repair

Yes

Crawl space doesnt have enough space for maintenance.

Support beams not intact

No

Excessive dampness or ponding of water

No

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.

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

Roofing

1 flagged, 83.33%

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)

No

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.

Yes

Roof deterioration at south side

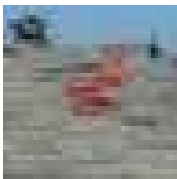


Photo 6

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.

No

Holes

No

Evidence of roof deterioration but no visible holes found

Signs of leakage observable from the ground (Observe ceilings

No

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)

Flat Roof (All flat roofs require inspection)

No

Mechanical Systems

1 flagged, 96.55%

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:

Unit does not turn "On"

No

Warm air is not emitted

No

Unusual or irregular smell is emitted

No

Smoke or irregular smell is emitted

No

Unit shuts down prior to reaching desired temperature

No

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)

No

Air Conditioning (central):

Unit does not turn "On"

No

Cold air is not emitted

No

Irregular noises are heard

No

Smoke or irregular smell is emitted

No

Unit shuts down prior to reaching desired temperature

No

Significant holes or deterioration on the unit(s)

No

Electrical System:

Electrical switches do not turn "on" or "off"

No

Outlets do not function (check representative sample)

No

Presence of sparks or smoke from outlet(s)

No

Exposed wiring visible in living areas	No
Frayed wiring	No

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.)

Plumbing System:

- Toilet

Toilets do not function (Observe how quickly the water flushes from the toilet - if slow, check septic tank)	No
Presence of leak(s)	No

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:

Structural damage under fixtures (Inspect plumbing under kitchen and bathroom sinks/lavatory)	No
Puddles present	No
• Sewer System:	No
Observable surface evidence of malfunction (Check to see if toilet flush quickly and properly)	No
• Sinks:	No
Basin or pipes leak	No
Water does not run	No
• Water:	No
Significant drop or limitation in pressure	No
No hot water	Yes

Water didn't get hot

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.

Other Health and Safety Deficiencies

1 flagged, 85.71%

Multiple Broken windows (REAC FAQ Note: ALL broken windows should be repaired or replaced, as necessary even if there is only one broken window)

No

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)

No

Broken or missing exterior doors

No

Inadequate/blocked entrances or exits (NOTE: All exterior doors should be operated to determine if they would open and close)

No

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.)

No

The mechanical garage door does not reverse or stop when meeting reasonable resistance during closing

No

Other health and/or safety deficiencies not mentioned above? Please describe others and identify location of others not included in this or any categories.

Yes

Roof needs repair
Water heating is not working
Wall at garden area touching the ground
Crawl space is not enough for repair

NOTE: Other health and safety items.

- 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.
- 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.
- 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.
- 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.

Lead Based Paint Hazard

100%

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.

Evidence on interior

No

Evidence on exterior

No

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.

Condominiums and Planned Unit Developments (PUD)

100%

This project is not on FHA's approval list

No

The property does not meet owner-occupancy standards

No

This property does not meet completion standards

No

- 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.
- If the project is not approved mark "YES" in the VC and condition the appraisal on this information.
- The project must be at least 51% owner-occupied.

- 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.
- If the project is not approved mark "YES" in "this project is not on FHA's approval list."
- The project must be at least 51% owner-occupied.

Completion

Overall comment and other observations

The property needs roof repair and the water heating is not working. The wall in the garden area touches the ground. Crawl space is not enough for repair. The property estimated value is \$200,000.

Overall assessment of Health & Safety

NEEDS REPAIR

Inspector Name and Signature



Andrew Hawke
22.05.2023 19:10 PST

Media summary



Photo 1



Photo 2



Photo 3



Photo 4

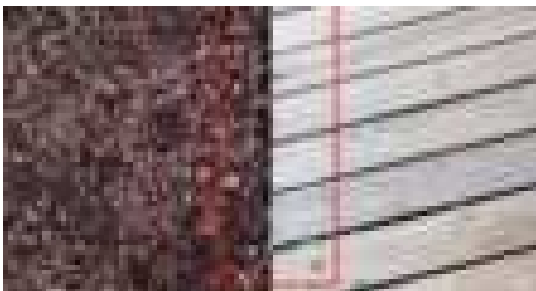


Photo 5

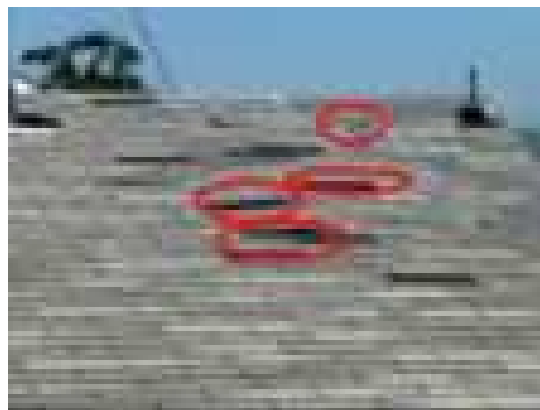


Photo 6