

# FHA LOAN MINIMUM PROPERTY REQUIREMENTS (MPRs)

## GENERAL REQUIREMENTS

While appraisals can be subjective and vary based on the individual appraiser, the appraiser is required to note every instance where the property is not safe, sound, and secure, or any instance where the property does not comply with HUD's Minimum Property Requirements.

## MOST COMMON FHA APPRAISAL FLAGS



### Loose or Missing Handrails

Missing or unsecured handrails on stairways are considered a safety hazard.



### Drainage Issues

Standing water near the foundation or evidence of water running toward foundation is likely to get flagged.



### Missing Smoke / CO Alarms

Appraiser should verify that smoke & carbon monoxide detectors are present & working.



### Inoperable Appliances

Appliances are required to be operational: refrigerators, ranges/ovens, dishwashers, disposals, and microwaves.



### Ceiling Stains / Roof Issues

The appraiser must note any evidence of leaks. Roof should have at least 2 years remaining physical life.



### Moisture Inside Foundation

Basements and crawlspaces must be free of dampness and wetness.



### Peeling Paint (Pre-1978)

Peeling paint (on the inside or outside) may be flagged due to risk of lead paint on homes built prior to 1978.



### Exposed Electrical

Electrical wiring that is exposed will be considered a safety hazard and is likely to be flagged.

**An FHA appraisal is not just about value -- it is also a safety and condition inspection. It is essential for utilities to be on during the appraisal. Any required repairs identified by the appraiser will probably need to be completed before the loan can close.**