

FHA APPRAISAL CHEAT SHEET

for Real Estate Agents

What Appraisers Look for and Common 'Subject To' Triggers

FHA appraisals ensure homes meet HUD's Minimum Property Requirements (MPRs): properties must be ****safe, sound, and secure.**** If not, the appraisal may be marked ****Subject To Repairs**** before closing.



SAFETY & MECHANICAL SYSTEMS

- Utilities must be on and functional (electric, water, heat)
- Exposed electrical wiring or missing covers → fix immediately
- HVAC must provide adequate heat for the climate
- Plumbing leaks or non-working fixtures → repair
- Water heater must have pressure relief valve and discharge pipe

HEALTH & ENVIRONMENTAL

- Visible mold or mildew → remediate and fix cause
- Termite or pest infestations → treat and document
- Water supply must be safe (public or tested well)
- Septic system must be functional and not leaking

TIPS FOR REALTORS BEFORE FHA APPRAISAL

- Walk the property with an FHA checklist before the appraiser arrives
- Address small issues (paint, handrails, outlets) ahead of time
- Ensure utilities are turned on and systems work properly
- Provide documentation of recent repairs or updates
- Keep access clear to all areas of the home

EXTERIOR ISSUES

- Peeling or chipping paint (especially pre-1978) → must be scraped and repainted
- Rotted or deteriorated wood → replace and repaint
- Loose or missing handrails → install securely
- Cracked or uneven walkways → repair if tripping hazard
- Broken/missing gutters or downspouts → repair or replace

INTERIOR & STRUCTURAL

- Holes in walls, ceilings, or floors → patch and finish
- Missing floor coverings → install permanent flooring
- Structural damage (foundation cracks, sagging) → may need inspection
- Roof leaks or poor condition → repair/replace if less than 2 years' life left
- Basement/crawlspace moisture or mold → address and ventilate

DOORS, WINDOWS & ACCESS

- Windows and doors must open, close, and lock properly
- Broken/missing glass → replace
- Bedrooms need at least one operable egress window
- Attic and crawlspace must be accessible

CATEGORY	COMMON 'SUBJECT TO' ISSUES	REQUIRED ACTION
Paint	Peeling or chipping	Scrape, prime, repaint
Floors	Missing coverings	Install permanent flooring
Walls	Holes or damage	Patch and finish
Railings	Loose or missing	Secure or replace
Wood	Rotted or soft	Replace and paint
Roof	Leaks or wear	Repair or replace
Electrical	Exposed wires	Cover or fix properly
Windows	Broken/inoperable	Repair or replace
Plumbing	Leaks/non-functional	Repair
HVAC	Inoperable	Repair or replace