

EXISTING HOME OBSERVATION CHECKLIST

Single Family, 502, 504, and HPG Housing Inspections

* This form is an optional supplement until inspectors become familiar with expected standards. *

1. Rural Development Regulations Define An Acceptable Existing Dwelling As:

- a. Be structurally sound, functionally adequate, in good repair or placed in good repair with loan funds, [FmHA 1944.16(h)(1)]. Defective construction, poor workmanship, deteriorating conditions, evidence of continuing settlement, excessive dampness, leakage, decay, termites, or other conditions impairing the safety, sanitation or structural soundness of the dwelling shall render the property unacceptable until the defects or conditions have been remedied and the probability of further damage eliminated (HUD 4905.1, 2-8).
- b. Be consistent with program objectives to provide only housing that is modest in size, design and cost [FmHA 1944.16(H)(2)].
- c. Provide decent, safe and sanitary living conditions when improvements are completed [FmHA 1944.16(j)].
- d. Must meet the thermal requirements of FmHA Instruction 1924-A, Exhibit D, for existing houses.

2. Existing House Inspection in General Terms:

- a. Hazard Free: The property must be free of hazards which may adversely affect the health and safety of the occupants or the structural soundness of the improvements or which may impair the customary use and enjoyment of the property by the occupants (HUD 4905.1, 2-13).
- b. Required Repairs: The inspector shall identify health, safety, or major maintenance items as being required to be repaired or replaced. This also includes items that if not corrected would devalue, contribute to the escalation of decay, or reduce the full enjoyment and usefulness of the property (all items under 1. above).
- c. Recommended Repairs: These items are minor in nature and their lack of repair will not contribute to the deterioration or usefulness of the property. These items should be fully identified so as to inform the lender and the applicant of the recommended repairs. Loan funds may be used for financing these repairs.
- d. Repair Standards: If replacement or initial installation of an item is required, work must be in compliance with applicable codes and other more stringent laws, codes, or requirements from local authorities or servicing utilities.
- e. Pride of Ownership: Applicants seeking home ownership through USDA\Rural Development programs are generally financially limited and may not be able to afford a home that will require frequent maintenance or repairs or high utility bills. Help our applicants start out with a house that is energy efficient and in good repair and that they will feel proud to own and want to maintain. By ensuring that the home is in good repair, you will be helping to ensure that the lender for which you are performing this inspection will have a more satisfied and financially secure customer and in doing so will provide better security for the loan.
- f. Beyond Repair: If the residence requires numerous costly replacements, or major repair and replacements combined, it may not be advisable to proceed.

3. Checklist Items - An Adequate Existing Dwelling is Further Defined As:

[REF: FmHA 1924-A, 1944-A, HUD 4905.1 & 4150.1.]

Mark every blank with one of the following: **R-repairs needed; N-no repairs needed; S-see certification.**

Termites/Pests:

- ___ Termite Inspection/Certification: Inspection and certification is required. Treatment is required if an active infestation is found. Inspection, certification, and treatment must be by a licensed individual.
- ___ Termite Damage: Structural and aesthetic damage is required to be repaired or replaced.
- ___ Pests: If infested with roaches, ants, fleas, silverfish, rats, mice, or other pests, treatment is required and damage must be repaired. Caulk, fill, or eliminate areas frequented by pests.

Site:

Use HB-1-3550 Attachment 5B

Foundations:

- ___ Frostline: Footings are below frostline (Varies throughout the state)
- ___ Foundation: Solid foundation walls of concrete or concrete block. Cracks or damage must be minor or repairable. Unstable conditions or structural damage is not acceptable. Sill plate is in good condition and bolted to the foundation. Check for signs of rot, termites, or other deterioration.
- ___ Crawl Spaces: To be dry or made to be dry, and have at least a uniform clearance height of 18" from the ground or adequate clearance for repair and inspection access and have adequate ventilation. Crawl space should be free of debris.
- ___ Basement: Wall cracks are minimal and have been sealed by epoxy crack injection.
- ___ Wet Basements or Crawl Spaces are Not Acceptable: There should be no evidence of water intrusion into the basement or crawl space. Sump pump or drainage correction/alteration and repair of areas where water enters basement or crawl space must be accomplished prior to closing. The crawl space and basement must be dry and clear of moisture or dampness prior to the closing of the loan.

Exterior:

- ___ Exterior walls do not exhibit signs of structural fatigue, failure, and bowing.
- ___ Siding: Solid, tight, and have good paint cover. Check caulking at joints. Siding is free of any rot or paint that is loose, peeling, chipping, scaling, or cracking. Vinyl or aluminum siding is free of mildew. Check stucco for signs moisture (cracks, discoloration, crumbling)
- ___ Masonry: Brick veneer or masonry that is not plumb, cracked, or damaged should be repaired. Brick veneer should be attached with brick ties.
- ___ Trim: Free from rot and excessive splits.
- ___ Windows: Dual paned or single paned primary (with storm windows in some areas). Must have an insect screen in good repair. Windows are caulked around frame and all glass is free of cracks, breaks, or broken seals that cause fogging. Each window is lockable.
- ___ Exterior Doors: Insulated steel or solid core wood. Each door has a keyed lock. The doors and all hardware, including exterior door sills and thresholds are in good condition. Doors are caulked around frame.
- ___ Porches/Decks: Concrete porches should be level (actually slightly sloped to divert water from entrance), free of wide cracks or variations in height, and be structurally sound. Decks may be of treated wood,

Redwood, or Cedar and must be free of rot. All porches and steps 30" above grade should have handrails and/or guardrails.

- ___ Gutters and downspouts: Adequate in size, in good condition, properly sloped and anchored with sufficient downspouts and splash blocks or extensions as necessary to ensure rapid and positive drainage away from the house.
- ___ Roofing: Roof covering is structurally sound, water tight, and has at least a remaining life of 5 years or more without replacement or repair. All roofing is properly installed, flashed, and has drip edge. Examine the roof for sagging ridges, rafters, and sheathing. Check attic for signs of leaks on roof deck and trusses or joists.
- ___ Chimneys or Flues: Metal chimneys are well supported and have proper clearances to combustibles. Exposed metal chimneys in areas such as closets will need to be enclosed. Masonry flues need to be plumb, free of cracks and have tight mortar joints (lining of the flue is recommended).
- ___ Do existing trees and landscaping interfere with chimney draft, overhead electrical lines, siding, mechanical equipment, or otherwise need removal.
- ___ Flashing is evident where the roof intersects walls, chimneys, vents and other roof penetrations.
- ___ House numbers provided.

Insulation and Ventilation:

- ___ Crawl Space: R-19 Vapor barrier on ground prevents ground moisture from permeating into crawl space and house. Must be dry and free of moisture and adequately ventilated so as to avoid excessive water vapor. With vapor barrier, ventilation ratio is 1/1500 s.f. Provide 18" x 24" minimum access.
- ___ Floor Insulation: R-19. Basement ceilings. Concrete basement walls are furred and insulated to R-13 (gyp bd. walls and provide vapor barrier) The rim joists are insulated to R-19 (all types of construction) The duct work is to be insulated. Basement garage ceilings R-19, and wall between basement and garage shall be insulated to R-13.]
- ___ Wall Insulation: R-13 or as high an R-value as economically feasible. Any exterior wall framing exposed during repair or rehabilitation work shall have a vapor barrier installed and be fully insulated. Uninsulated walls are not acceptable.
- ___ Attic Insulation: 38.
- ___ Attic Ventilation: Must have a ratio of 1 SF of vent to 150 SF of attic space (1:150), including eaves (standard 8"x 16" soffit vents have approximately 56 square inches of net vent area). Ventilation can be reduced to 1:300 if half of ventilation is at soffit and other half is at or near the ridge. Add air chutes between rafters if insulation is increased to the point that it would restrict soffit ventilation. Provide 22" x 30" access.
- ___ Turbine vents, ridge vents, vents stacks are flashed and caulked.

Garage:

- ___ Garage Floor: 12" above the street or a special drainage system is in place that prevents water from flowing into the garage. Garage door is operable and in good condition with a functional lock.
- ___ Attached Garages: Garage ceiling and interior wall covered with 1/2" thick taped drywall. Basement garages will be separated from other basement areas with an R-13 wall with drywall each side and 1 3/8 inch solid core door or steel insulated door, and garage ceiling insulated to R-19 and covered with 1/2 inch gyp. bd.
- ___ Door: Garage door shall be in good repair with functional lock. Garage vehicle door is easily operable or has automatic opener.

Interior:

- ___ Space Requirements: Space necessary to assure suitable living, sleeping, cooking and dining without sacrificing safety, reasonable privacy, function, and sanitary conditions. Minimum bedroom size is 70 s.f. and the minimum dimension for a bedroom wall is seven feet.

- ___ Structurally Sound: Walls, roof, and all structural components are plumb, straight, and structurally sound throughout. Walls and ceilings exhibit no sign of bowing, sagging, or obvious defects. Floors are solid and level. Floor joists are not cut excessively for plumbing or other notches. Weakened, rotted, or damaged components need to be reinforced or replaced.
- ___ Interior Surfaces: Walls and ceilings are in good repair and have good paint covering or wallpaper. Peeling paint or wall paper or discolored walls from smoking need to be properly prepared and painted.
- ___ Smoke Detectors: Shall be primarily powered by A/C with D/C backup and installed in accordance with manufacturer's instructions in each bedroom, in the hall outside each separate group of bedrooms and on each level of the house (to include the basement, even if unfinished). Smoke alarms shall be interconnected. Smoke alarms in existing areas shall not be required to be interconnected or hard wired where the alterations or repairs do not result in the removal of interior wall or ceiling finishes exposing the structure, unless there is an attic, crawl space, or basement available which could provide access for hard wiring and interconnection without the removal of interior finishes.
- ___ Windows: Windows are functional with no broken or cracked glazing or loss of glazing compound. Windows are lockable. Single pane windows should have storm windows.
- ___ Bedroom Windows: Must have an operable sash capable of providing emergency egress (operable sash without key or tool; sill within 44" of floor; A minimum opening area of 5.0 SF for grade level openings or 5.7 SF for all other openings.]
- ___ Doors: Doors and trim are properly aligned, secure in their frames, finished, and in good repair. Defaced, broken, punctured, or damaged doors or hardware shall be replaced. Doors should fit tightly and be weather-stripped.
- ___ Door Stops: Each door has a base type door stop.
- ___ Subflooring: Properly nailed, free of moisture and rot, and does not excessively squeak or moan. Unleveled floors should be repaired, if economically possible. Floors that are not level or not in good repair so as to indicate substantial settling or structural problems are not acceptable.
- ___ Floor Covering: The existing floor covering is expected to last for a minimum of 3 years. Carpet or flooring that is heavily worn, damaged, or stained should be replaced. Carpet is clean, stretched and in good condition.
- ___ Kitchen Cabinets: Kitchen countertops and cabinets should be in good condition with all doors and drawers in good working order. Space is provided for a stove and refrigerator. Storage is adequate for food and cooking utensils. Kitchen configuration should not restrict the functionality of the space.
- ___ Bathrooms: Every bedroom has access to a bathroom without passing through other living areas. Each home must have at least one full bathroom. Fixtures are in good repair and not rusted, corroded, or unpleasant in appearance. Vanity is sound with functional doors and drawers. Wall and ceiling paint is glossy or impervious to moisture.
- ___ Exhaust Vents: Range hood and bathroom exhaust vent should vent to the outside, if feasible (not to attic). Recirculating vent hood is allowed in kitchens with windows.
- ___ Stairs: Stairways are 3' wide and have at least a 10 inch tread and an 7-3/4 inch riser maximum. Handrail and stairs are in good sturdy condition. Stairs with more than 3 risers have a handrail. Doors should not swing over stairs.
- ___ Water Heater: In good working condition; 30 gallon capacity; life expectancy of 5 years; a pressure relief valve with 3/4" drain pipe to the exterior or direct into floor drain.
- ___ Fireplace: In good repair, operable damper, chimney cap and safe flue (unlined flues may not be acceptable).

HVAC:

- ___ Heating: Heat supply to each finished room is required. Floor or wall furnaces are not acceptable as primary heating source.
- ___ HVAC Equipment: Must be safe to operate, have adequate capacity and quality, be protected from destructive elements, have reasonable future utility, durability and economy so as to last 5 years without

replacement or major repairs. Installation of new furnace shall comply with applicable codes. Outside units (condensing units, heat pumps) should be placed on a concrete pad.

- ___ Gas: Furnace, water heater, range or other gas appliances should be inspected by gas company or person specializing in repairing and servicing gas appliances prior to activating gas appliances. Gas appliances should have a shut off valve near the appliance and proper flue.

Plumbing:

- ___ Plumbing: All piping is in good repair with no evidence of leaks, excessive corrosion/mineral deposits, or potential problems (especially basement ceiling or crawl space plumbing or hose bib connections). Where visible, check for evidence of leaking water pipes, sewer waste lines, water closet flange, bathtub trap, and cleanouts. Water drains quickly from fixtures. Water pressure is adequate (40 psi min; 80 psi max). Minimum water service line is ¾".
- ___ Sinks: Kitchen and bathroom sinks and faucets and bathtubs are typical and in good repair. Check for leaks in water lines under sink.
- ___ Shut-off Valves: Should be provided for each plumbing fixture, if feasible. If repairs are necessary, a valve will be installed on the repaired fixture.
- ___ Wells: Individual wells and the water they supply must be inspected and approved by the appropriate Health District. A safe drinking water sample must be obtained.
- ___ Waste Water Treatment Systems: Septic, lagoon, or other type of on-site sewage treatment systems must be inspected and approved by the appropriate health district.

Electrical:

- ___ GFCI: Ground fault circuit interrupter in bath; along kitchen counters; all receptacles in an unfinished basement, garage, carport or exterior of house (except those receptacles that are dedicated to major appliances or sump pumps) or GFCI breaker (identified by test button) in panel.
- ___ Lights: Lighting fixtures to be in good order with switches, bulbs, lenses, shades, and all parts intact and working.
- ___ Outlets: Approximately one per wall or every 12 feet.
- ___ Wiring: Exposed wiring in attic, crawl space, and basement ceiling is safe and in good repair. Exposed wiring in basement or closets is in conduit where there is the potential for human contact. Splices are in covered junction boxes. Switches, receptacles, and service plugs will have proper covers and broken items replaced.
- ___ Panel: Electrical breaker or fuse box should be 100 amp minimum for small houses. A 200 amp panel may be necessary for electric heat and/or central air. Panel is safe, in good working order and easily accessed. Circuits are clearly marked in the breaker box.
- ___ Service Entrance: Disconnect located outside building or inside where service enters building. Where service is not contained in raceway there is a 3 foot clearance from doors, porches, decks, stairs, and bottom of operable windows. Service-drop conductors (cables) a minimum of 10 feet above grade at point of entrance. Requirements for clearance to roof top vary, but most of our houses would require the conductors to be at least a minimum of 18" above the roof.

Repairs:

- ___ Longevity: No major repairs or replacement is expected for 5 years on the roof, structure, plumbing, electrical, or heating systems.
- ___ Code Compliance: All repair or replacement work shall be in accordance with applicable codes as amended by State and local authorities with the most stringent requirement taking precedence.

Prohibited Items:

- ___ Defective Conditions: Defective construction, poor workmanship, evidence of continuing settlement, excessive dampness, leakage, decay, termites, or other conditions impairing the safety, sanitation or

structural soundness of the dwelling shall render the property unacceptable until the defects or conditions have been remedied and the probability of further damage eliminated (HUD 4905.1, 2-8).

- ___ Malfunctioning Waste Disposal System: On-site sewage systems that are discharging an effluent or otherwise malfunctioning or lagoons that are not maintained shall not be acceptable. Adjoining properties that have malfunctioning systems that adversely affect the subject property shall also be justification for failure to accept the subject site. Report such failures to the appropriate Health District.
- ___ Malfunctioning Wells: Wells that do not pass safe drinking water tests will not be acceptable as a water source.

Warnings:

- ___ Lead Paint: For houses constructed prior to 1978, any chipped, flaking, chalky or peeling paint *should* be tested for lead. Refer to RD AN No.3593 (1924-A) December 1, 2000, Residential Lead Based Paint Hazard Reduction.
- ___ Asbestos: Older houses containing transite siding, original roofing shingles, pipe or boiler insulation, and original resilient flooring may contain asbestos. Asbestos containing building materials present a hazard if broken, sanded, scrapped, drilled, or otherwise damaged so as to release asbestos fibers into the air. Category I and II non-friable asbestos in a residential building can be removed by knowledgeable individuals. Asbestos containing building materials that are not in good condition or friable are required to be removed by a licensed asbestos abatement contractor.

Disclaimers:

Checklist Limitations: This checklist is not inclusive of all the inspection criteria that is required and only refers to specific information that applies to USDA\Rural Development or that has shown in the past to need special attention. Exercise good common sense and good judgment in completing the inspection and report.

Conflicting Requirements: USDA\Rural Development regulations and guidelines do not supersede federal, state, or local building codes, laws, or requirements. If in the event a conflict arises between USDA\Rural Development and another regulating agency or requirement, the more stringent requirement shall apply.

Interpretation or Waivers: An interpretation or waiver of items on this checklist could be considered on a case by case basis from the Rural Development Local Office. However, the interpretation or waiver shall be in the best long term interests of the applicant and government and not for the convenience or interests of others that may gain from short term solutions.

End of Guide

Continue inspection notes on attached sheets.