

PROPERTY INSPECTION SERVICE REQUIREMENTS AND COST SCHEDULE

When a mortgage is in default and a payment is not received within 45 days of the due date, and efforts to reach the mortgagor by telephone or other means within that period have proven unsuccessful, the mortgagee shall make a visual inspection of the property to determine occupancy status.

If the property is occupied, and the mortgagor continues to be in default, the mortgagee should continue to try to make contact with the mortgagor or occupant each month by telephone or through correspondence. If the mortgagee is unable to contact the mortgagor or occupant by any other means, generally, the property must be re-inspected within 25-35 days of the last inspection or last documented contact with the mortgagor or occupant. However, some areas require more frequent inspections as prescribed below.

If it can be established by other means that the property is occupied, an inspection is not necessary and will not be reimbursed. If an inspection is performed on an occupied property, the cost will only be reimbursed if the mortgagee can provide adequate documentation to show that the mortgagor or occupant could not be reached by any other means. This documentation must be maintained in the mortgagee's claim review file. The mortgagee must inspect a vacant or abandoned property every 25-35 days, or more frequently as prescribed below, to determine whether protection and preservation action is necessary. At the time of the first inspection following verification that the property is vacant, the mortgagee must photograph the exterior and interior of the property. All photographs must be dated. A maximum of six photographs will be allowed for reimbursement. The photographs must be maintained in the mortgagee's claim review file.

The cost schedule has been reformatted to show reimbursable limits for initial inspections, additional units and subsequent inspections. Subsequent inspections are to be performed 25-35 days following any prior inspection if the property is vacant or following the last contact with the mortgagor if the mortgage is in default. No more than twelve inspections per calendar year will be allowed to be claimed unless indicated otherwise under local variations, or when a reimbursable eviction inspection is performed. The cost of inspections is not included in the overall P&P maximum. Mortgagees may be surcharged for the cost of property damage if inspection reports are inaccurate, incomplete, or untimely.

During bankruptcy actions, mortgagees should be able to verify the status of the property without performing an on-site inspection. Reimbursement normally will not be made for occupancy inspections if the mortgagor has filed bankruptcy until the bankruptcy has been released, discharged, or the bankruptcy trustee formally abandons the property.

PROPERTY INSPECTION COST SCHEDULE

<u>Philadelphia HOC</u>	<u>Initial Inspection</u>	<u>Additional Units (2-4 unit properties)</u>	<u>Subsequent Inspections</u>
Connecticut	\$25	\$10	\$15
Delaware	\$25	\$10	\$15
District of Columbia	\$25	\$10	\$15
Maine	\$25	\$10	\$15
Maryland	\$25	\$10	\$15
Massachusetts	\$25	\$10	\$15
Michigan	\$25	\$10	\$15
New Hampshire	\$25	\$10	\$15
New Jersey	\$25	\$10	\$15
New York	\$25	\$10	\$15
Ohio	\$25	\$10	\$15
Pennsylvania	\$25	\$10	\$15
Rhode Island	\$25	\$10	\$15
Vermont	\$25	\$10	\$15
Virginia	\$25	\$10	\$15
West Virginia	\$25	\$10	\$15

PROPERTY INSPECTION COST SCHEDULE

<u>Atlanta HOC</u>	<u>Initial Inspection</u>	<u>Additional Units (2-4 unit properties)</u>	<u>Subsequent Inspections</u>
Alabama	\$25	\$10	\$15
Caribbean	\$25	\$10	\$15
Florida	\$25	\$10	\$15
Georgia	\$25	\$10	\$15
Illinois	\$25	\$10	\$15
Indiana	\$25	\$10	\$15
Kentucky	\$25	\$10	\$15
Mississippi	\$25	\$10	\$15
North Carolina	\$25	\$10	\$15
South Carolina	\$25	\$10	\$15
Tennessee	\$25	\$10	\$15

PROPERTY INSPECTION COST SCHEDULE

<u>Denver HOC</u>	<u>Initial Inspection</u>	<u>Additional Units (2-4 unit properties)</u>	<u>Subsequent Inspections</u>
Arkansas	\$25	\$10	\$15
Colorado	\$25	\$10	\$15
Iowa	\$25	\$10	\$15
Kansas	\$25	\$10	\$15
Louisiana	\$25	\$10	\$15
Minnesota	\$25	\$10	\$15
Missouri	\$25	\$10	\$15
Montana	\$25	\$10	\$15
Nebraska	\$25	\$10	\$15
New Mexico	\$25	\$10	\$15
North Dakota	\$25	\$10	\$15
Oklahoma	\$25	\$10	\$15
South Dakota	\$25	\$10	\$15
Texas	\$25	\$10	\$15
Utah	\$25	\$10	\$15
Wisconsin	\$25	\$10	\$15
Wyoming	\$25	\$10	\$15

PROPERTY INSPECTION COST SCHEDULE

<u>Santa Ana HOC</u>	<u>Initial Inspection</u>	<u>Additional Units (2-4 unit properties)</u>	<u>Subsequent Inspections</u>
Alaska	\$25	\$10	\$25
Arizona	\$30	\$10	\$15
California	\$30	\$10	\$15
Hawaii/Pacific Island	\$30	\$10	\$15
Idaho	\$25	\$10	\$25
Nevada	\$30	\$10	\$15
Oregon	\$25	\$10	\$25
Washington	\$25	\$10	\$25

LOCAL VARIATION FROM GENERAL REQUIREMENTS

NORTHEAST

City / State

**Albany, New York
Buffalo, New York**

Variation From General Requirement

Occupied properties secured by delinquent FHA mortgages insured after January 1, 1977, will be inspected by the mortgagee every two weeks to determine occupancy during the period October 1 through March 31 until such time that the loan is reinstated or the property is vacated and winterized. Thereafter, properties are to be inspected at least monthly.

MID-ATLANTIC

City / State

District of Columbia / Maryland / Pennsylvania / Virginia / West Virginia

Variation From General Requirement

For vacant properties, an inspection sign-in sheet shall be affixed to the inside of the front door or a wall in the entry area of the property. The sheet should contain rows and columns for data entry. At a minimum, the sheet should reveal the date of inspection, purpose of inspection, mortgagee's name, inspector's name, and condition of property.

MID-WEST

City / State

Chicago, Illinois

Variation From General Requirement

Properties are to be inspected twice per week on a year-round basis in the following zip code areas:

60609	60615	60621
60627	60628	60635
60636	60639	60641
60644	60647	60651
60653		

WEST

City / State

Alaska

Variation From General Requirement

When the mortgage is in default, and there is any reason to believe that the mortgagor may abandon the property, the mortgagee should contact the utility companies to ensure that the heat will remain on should the mortgagor vacate.

City / State

Hawaii

Variation From General Requirement

Vacant or abandoned properties located in high vandalism areas (Waianae, Nanakuli, Maili & Makaha) are to be inspected every 15 days.

City / State

Reno, Nevada

Variation From General Requirement

During the period September 15 through April 15, if the mortgagors cannot be contacted, properties should be inspected every 15 days until the property is confirmed to be vacant, at which time securing and winterizing should be accomplished immediately. Once winterized, the property should be inspected every 30 days.