



National Standards for the Physical Inspection of Real Estate (NSPIRE)

Real Estate Assessment Center (REAC)
Council for Affordable and Rural Housing (CARH)

June 27, 2023

Introduction



- HUD's National Standards for the Physical Inspection of Real Estate (**NSPIRE**) **replaces** the Uniform Physical Condition standards (UPCS) and Housing Quality Standards (HQS) in HUD regulations
- The NSPIRE final rule:
 - Revised 24 CFR Part 5 Subpart G - Physical Condition Standards and Inspection Requirements
 - Replaced the term "UPCS" in the regulations and associated guidance
 - Re-defined the term "HQS" to be synonymous with HUD's Part 5 Subpart G regulations

Note: HUD's section of the Code of Federal Regulations (CFR) is Title 24 and is often referenced as 24 CFR





NSPIRE Final Rule Published

May 11, 2023



FEDERAL REGISTER

The Daily Journal of the United States Government



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Economic Growth Regulatory Relief and Consumer Protection Act: Implementation of National Standards for the Physical Inspection of Real Estate (NSPIRE)

A Rule by the [Housing and Urban Development Department](#) on 05/11/2023



PUBLISHED DOCUMENT

Start Printed Page 30442

AGENCY:
Office of the Assistant Secretary for Housing—Federal Housing Commissioner, Office of the Assistant Secretary for Community Planning and Development, Office of the Assistant Secretary for Public and Indian Housing, U.S. Department of Housing and Urban Development (HUD).

ACTION:
Final rule.

SUMMARY:
This final rule establishes a new approach to defining and assessing housing quality: The National Standards for the Physical Inspection of Real Estate (NSPIRE). This rule is part of a broad revision of the way HUD-assisted housing is inspected and evaluated. The purpose of NSPIRE is to strengthen HUD's physical condition standards and improve HUD oversight through the alignment and consolidation of the inspection regulations used to evaluate HUD housing.

DOCUMENT DETAILS

Printed version: [PDF](#)

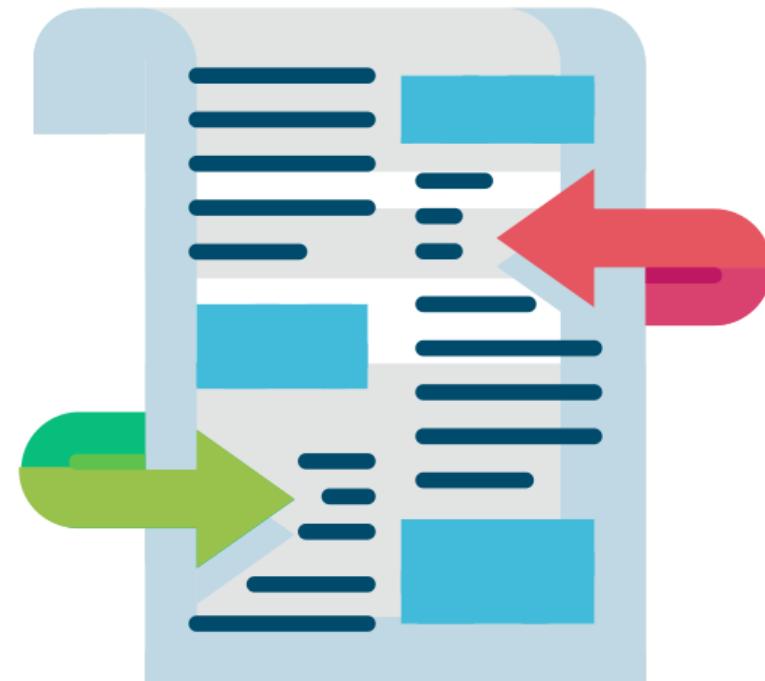
Publication Date: [05/11/2023](#)

Agency: [Department of Housing and Urban Development](#)

Dates: This final rule is effective July 1, 2023, except amendments to the following parts, which are effective October 1, 2023: [24 CFR part 92](#) (instructions 4 through 7); [24 CFR part 93](#) (instructions 9 and 10); [24 CFR part 200](#) (instructions 12 and 13); [24 CFR part 570](#) (instruction 15); [24 CFR part 574](#) (instruction 17); [24 CFR part 576](#) (instruction 19); [24 CFR part 578](#) (instruction 21); [24 CFR part 882](#) (instructions 22 and 24); [24 CFR part 884](#) (instruction 25).

New Items in the Final Rule

- Standards review process at least every 3 years
- “Affirmatives” in regulation (e.g. GFCI outlets, lighting, HVAC, CO Alarms, Smoke Alarms)
- Removed site and neighborhood requirements for HCV only
- New nomenclature for health and safety deficiencies: Life-threatening, Severe, Moderate and Low
- Life-threatening and Severe deficiencies correction requirements – 24 hours. Moderate – 30 days, Low – 60 days
- Self-inspections for Public and Multifamily Housing programs: all units, annually but collected only if score <60
- Administrative referrals to the DEC for scores 30 and below, or two successive scores <60



Standards: Changes from UPSC to NSPIRE



Mastering the NSPIRE standards will require learning a new framework

- **More Emphasis on:**

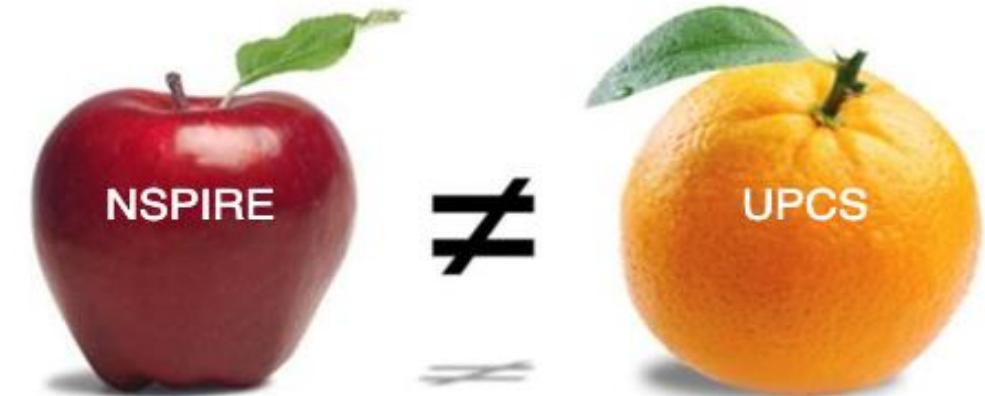
- Health, safety, and functional defects
- Areas that impact residents – their units

- **Less Emphasis on:**

- Condition and appearance defects
- Inspectable areas outside units

- **Objective Deficiency Criteria**

- Criticality levels do not exist within NSPIRE
- Removed subjective deficiency criteria based on feedback



Standards Notice Overview



On 6/15, HUD announced the publication of the Final Inspection Standards Notice for NSPIRE

- This notice outlines inspectable items at HUD-assisted and Multifamily-insured properties and includes a severity-based classification scheme.
- NSPIRE aligns and consolidates inspection regulations used to evaluate housing across multiple programs.
- The notice commits to a 3-year review cycle that allows HUD to be more responsive to industry standards and the changing needs of the PH portfolio.
- The notice highlighted major changes to the Standards following feedback received in the NSPIRE Demonstration and Public Comments on the Proposed Notice

Standards Notice Details

A photograph of a diverse family of four (two adults and two children) smiling together, positioned as a background image for the slide.

The NSPIRE standards emphasize health and safety defects that present significant hazards to residents through the following:

- Requiring address of life-threatening and severe deficiencies within 24 hours
- Making Smoke Alarm Standard consistent with NFPA Standard 72
- Creating a Fire Door Standard detailing the many requirements for fire doors
- Requiring Carbon Monoxide Alarms to be installed
- Setting minimum temperature requirements during colder months and requiring a permanent heating source
- Establishing infestation deficiencies based on discrete levels of observations
- Specifying Ground-Fault Circuit Interrupter (GFCI) protection as a requirement
- Including affirmative habitability requirements for bathrooms, kitchens, and other rooms utilized by residents



NSPIRE Upcoming Milestones

FY2023

Spring

Publish Final NSPIRE Rule, with effective date of July 1, 2023

Completed May 11, 2023

Ongoing training

Summer

*Publish final Standards, Scoring, & Administrative procedures notices – **On Track***

*Implement resident feedback from Pilot – June 30, 2023 – **On Track***

*Public Housing inspections commence – July 1, 2023 – **On Track***

Ongoing training

Fall

*Multifamily Housing, Vouchers, CPD effective & compliance date – October 1, 2023 – **On Track***

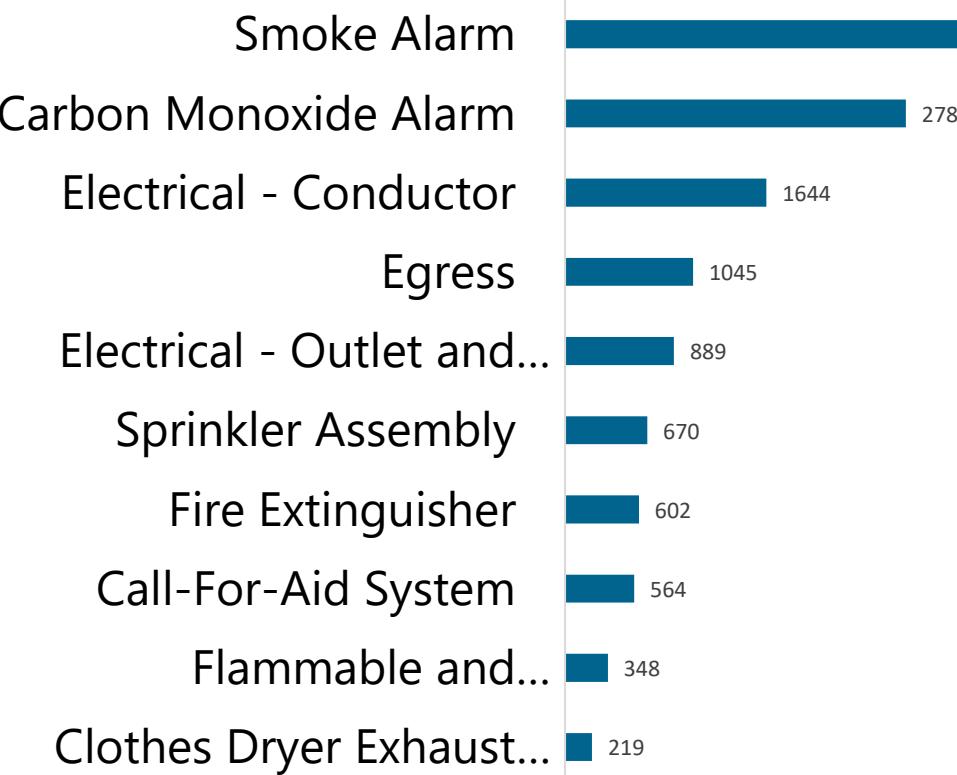
Core Health & Safety Focus

The eight focus areas are critical to the habitability and safety of residents

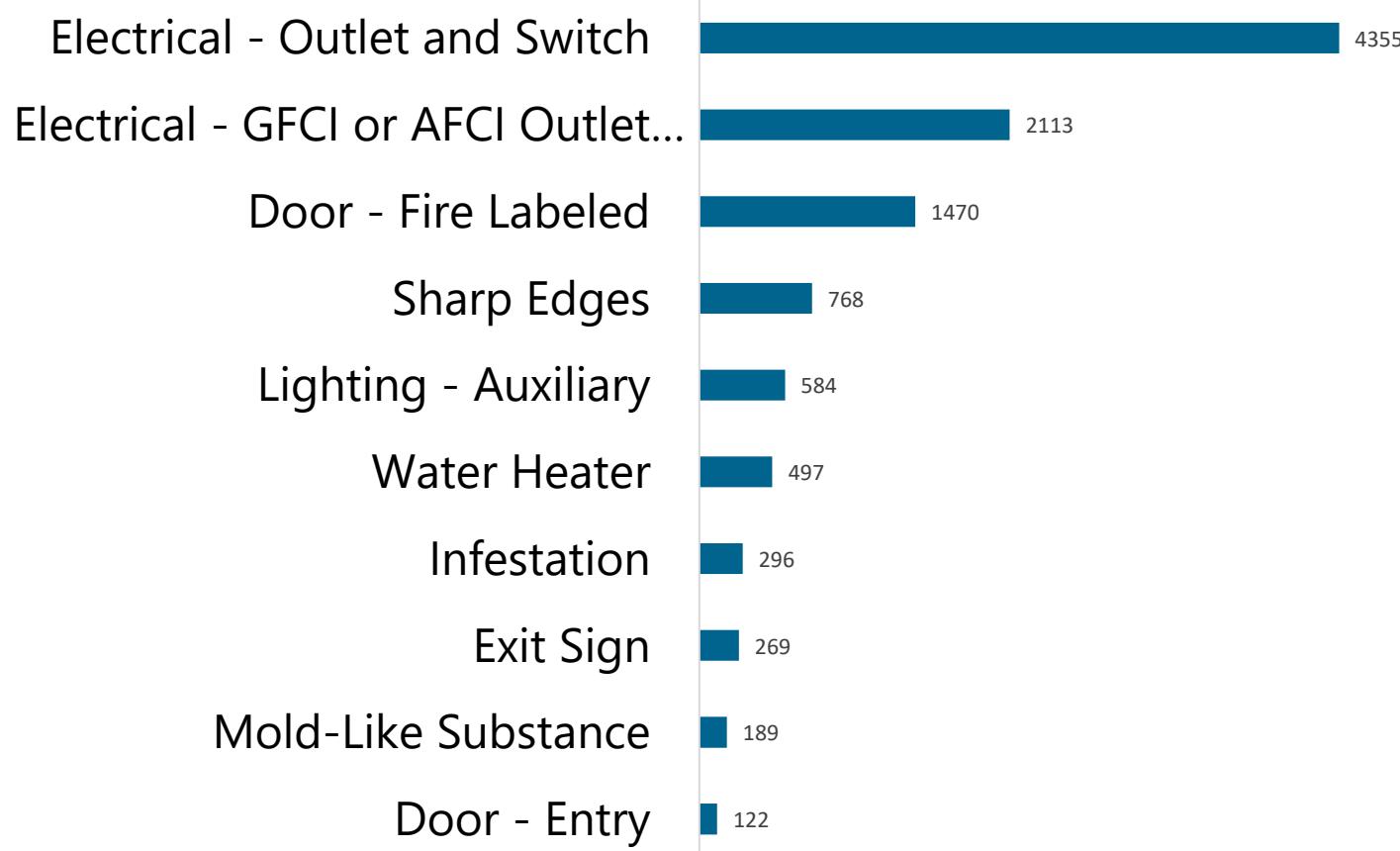


Top Defects Based on Demonstration

Top 10 Most Occurring Life Threatening Defects



Top 10 Most Occurring Severe Defects





NSPIRE

Questions & Answers

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