



# 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



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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](#)

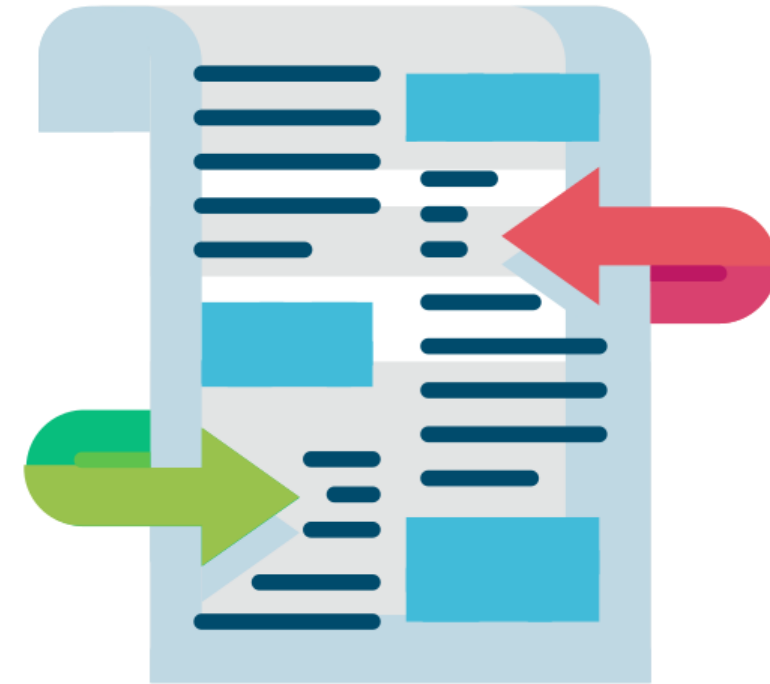
**Publication Date:**  
05/11/2023

**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  
23 and 24); 24 CFR part 884.

# 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 UPCS to NSPIRE



## Mastering the NSPIRE standards will require learning a new framework

- **More Emphasis on:**

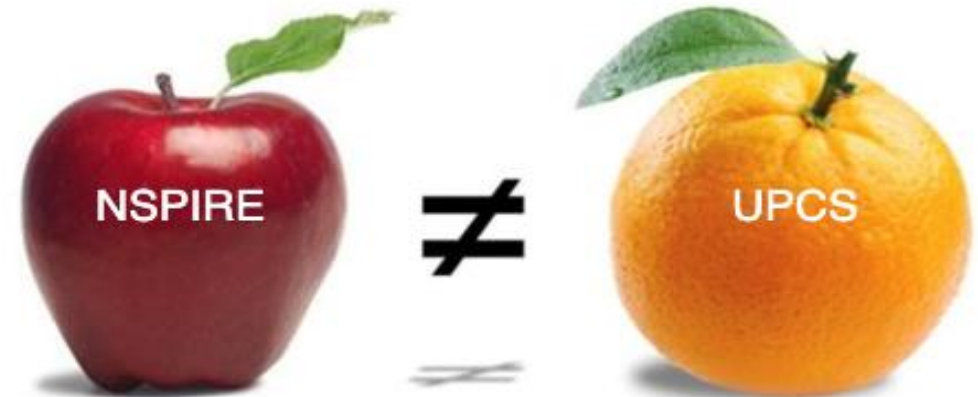
- Health, safety, and functional defects
- Areas that impact residents – their units

- **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



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***



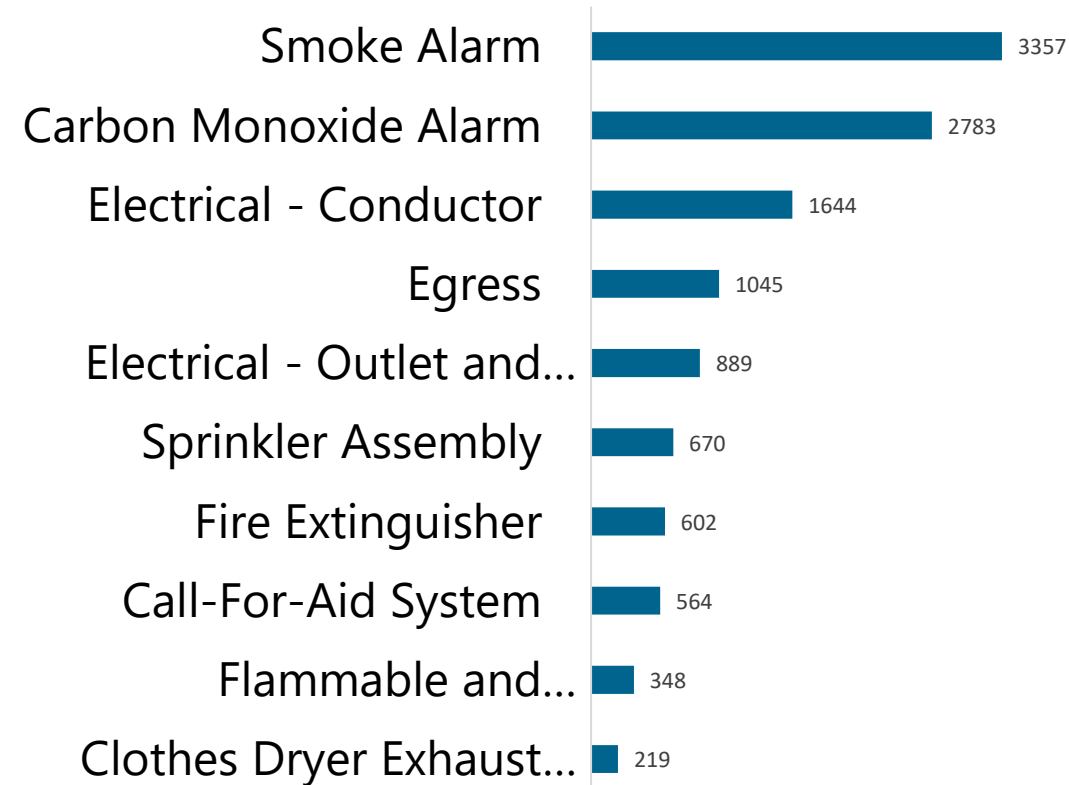
# Core Health & Safety Focus

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

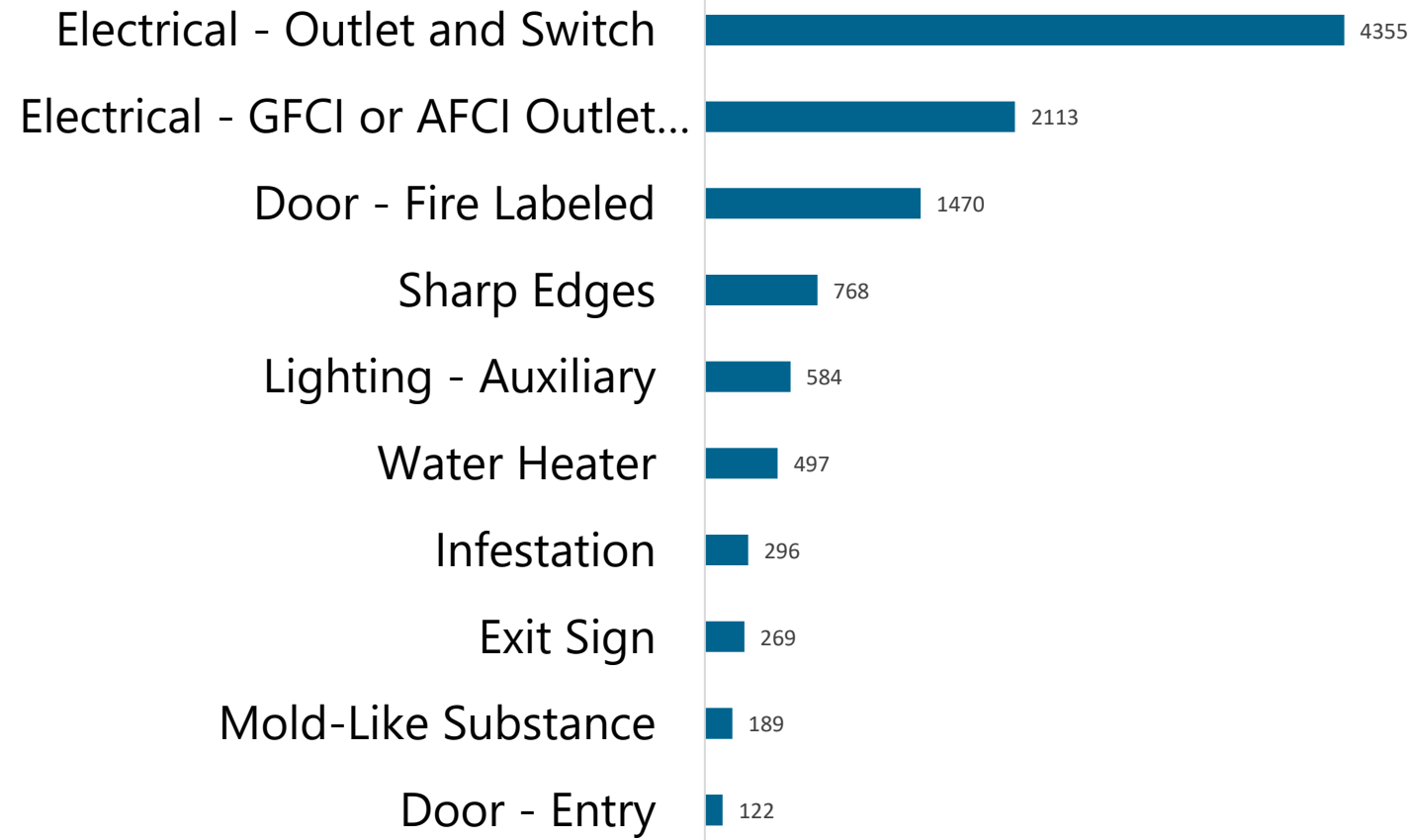


# Top Defects Based on Demonstration

## Top 10 Most Occurring Life Threatening Defects



## Top 10 Most Occurring Severe Defects





**NSPIRE**

# Questions & Answers

[NSPIRERegulations@hud.gov](mailto:NSPIRERegulations@hud.gov)

[nspire@hud.gov](mailto:nspire@hud.gov)