



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING
OFFICE OF HOUSING

Special Attention of:

Regional Administrators; Directors of HUD
Regional, Hub, and Field Offices of Public
Housing; Multifamily Regional
Center/Satellite Office Directors; Public
Housing Agencies; Housing Choice Voucher,
Project-based Voucher, Project-Based Rental
Assistance, Section 202, and Section 811
Property Owners, Multifamily Regional
Center Directors
Multifamily Satellite Office Directors
Multifamily Asset Management Division
Directors
Multifamily Account Executives
Multifamily Owners and Management
Agents, Resident Management Corporations

Notice: PIH 2023-16/H 2023-07

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Expires: This notice remains in effect until
amended, superseded, or rescinded.

Cross References:
24 CFR Parts 5, 200, 882, 884, 886, and 902

**Subject: Implementation of National Standards for the Physical Inspection of Real
Estate (NSPIRE) Administrative Procedures**

Table of Contents

1. Purpose..... 2
2. Background 3
3. Effective and Compliance Dates..... 3
4. References and Rescinded Notices 4
5. Inspectable Areas 5
6. Inspection Timeframes 6
7. Preparing for an Inspection 7
 a. Property Verification and Document Collection..... 7
 b. Routine Inspection Scheduling 8
8. During the Inspection..... 8
9. After the Inspection..... 9

a.	Submitting Evidence of Correction of Life-Threatening and Severe Conditions	10
b.	Timelines for Correcting Deficiencies	10
c.	Best Practices for Correcting Life-threatening and Severe Deficiencies in 24 Hours	11
i.	Potential Lead-based Paint Hazards.....	12
ii.	Pest Infestation.....	14
iii.	Mold and Moisture.....	14
d.	Self-inspection Requirements	15
e.	Technical reviews	16
10.	Administrative Review	16
11.	Resident Feedback and Unit Recommendation Process	17
12.	Point of Contact	18

1. Purpose

This notice implements portions of the final rule, “Economic Growth Regulatory Relief and Consumer Protection Act: Implementation of National Standards for the Physical Inspection of Real Estate (NSPIRE)” or the “NSPIRE final rule.” The NSPIRE final rule establishes a new approach to defining and assessing housing quality called the National Standards for the Physical Inspection of Real Estate (NSPIRE). 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,” as defined in 24 CFR 5.701(c), across multiple programs. Implementation of the NSPIRE final rule ensures that residents of HUD housing live in safe, habitable dwellings, and the items and components located inside, outside, and within the units of HUD housing are functionally adequate, operable, and free of health and safety hazards.

This notice covers the process and operational requirements for Public Housing programs (programs for housing assisted under the U.S. Housing Act of 1937 other than section 8 of the Act), and Multifamily Housing assistance programs covered by the final rule, including Section 202 Supportive Housing for the Elderly, Section 811 Supportive Housing for Persons with Disabilities, Section 202 direct loan program, and housing with mortgages insured or held by HUD as listed in 24 CFR 5.701. This notice includes policies and procedures for properties participating in inspections, submitting evidence of deficiency correction, submitting technical reviews, administrative review, and other administrative requirements changing with the final NSPIRE rule. In addition, it outlines roles and responsibilities for HUD’s Real Estate Assessment Center (REAC), HUD field office staff, and property representatives from Public Housing Authorities (PHAs) and Property Owners and/or Agents (POAs). This notice also references existing requirements for inspectors performing inspections for REAC under contract.

2. Background

On January 13, 2021, HUD published the “Economic Growth Regulatory Relief and Consumer Protection Act: Implementation of National Standards for the Physical Inspection of Real Estate (NSPIRE)” proposed rule (proposed rule) in the Federal Register. The NSPIRE final rule, published on May 11, 2023, (88 FR 30442) aligns and consolidates HUD’s inspection standards and procedures and incorporates provisions of the Economic Growth and Recovery, Regulatory Relief and Consumer Protection Act (P.L. 115-174) for HUD’s rental assistance programs. In the final rule, 24 CFR part 5, subpart G is the focal point of the consolidated requirements for HUD-assisted housing that is decent, safe, sanitary, and in good repair, and will be referenced by other rental assistance regulations. In 24 CFR 5.703, the NSPIRE final rule revises that term to mean “functionally adequate, operable, and free of health and safety hazards.” Once published, this Administrative Procedures Notice supplements guidance provided in the NSPIRE Standards notice published on June 22, 2023 (88 FR 40832), and the NSPIRE Scoring notice. Both the NSPIRE Standards and Scoring notices included an opportunity for public comment, and any subsequent changes will be announced in the Federal Register after public comment. While this Departmental notice is issued as a final Departmental notice, HUD will accept comments sent to NSPIRERegulations@hud.gov, and consider these comments for future revisions and operational guidance.

3. Effective and Compliance Dates

The NSPIRE final rule will be implemented in phases:

For Public Housing properties, HUD will commence regular inspections after July 1, 2023, and will prioritize properties that have not been inspected since normal operations resumed in June 2021 after the pandemic, PHAs with a fiscal year end of March 30 and Troubled PHAs to receive their next inspections under the updated regulations. For Public Housing properties that participated in the NSPIRE Demonstration, REAC will consider the prior Uniform Physical Condition Standards (UPCS) score and the date of the inspection under the Demonstration for future inspection scheduling as described in 24 CFR 5.705(c).

For the Multifamily Housing programs, HUD (or the Servicing Mortgagee, as applicable) will commence inspections for participants in the NSPIRE Demonstration beginning July 1, 2023, and for all other properties starting October 1, 2023. As announced through Notice in the Federal Register on January 25, 2023, NSPIRE Demonstration Multifamily Housing participants will receive an inspection of record through the NSPIRE Demonstration unless they opted out by March 1, 2023, in which case they will receive an inspection of record under UPCS.¹ UPCS inspections for these participants commenced in March 2023.

For Multifamily Housing properties that participated in the NSPIRE Demonstration, REAC will consider the prior Uniform Physical Condition Standards (UPCS) score and the date of the inspection under the Demonstration for future inspection scheduling as described in 24 CFR 5.705(c). However, HUD intends to conduct subsequent inspections on each of these properties

¹ Notice of Modification to the Demonstration to Assess the National Standards for the Physical Inspection of Real Estate and Associated Protocols, 88 FR 4727, January 5, 2023.

by the end of 2025 and may adjust scheduling accordingly to fulfill that objective. Scheduling will align with the timeframes established in 24 CFR 5.705(c).

For the Housing Choice Voucher (HCV), Project Based Voucher (PBV) programs, and the programs managed by HUD's Office of Community Planning and Development (CPD), the NSPIRE final rule will be effective October 1, 2023. Inspections of housing under those programs before this effective date will be conducted in accordance with the Housing Quality Standards in effect at 24 CFR 982.401.

This notice provides guidance on the Public Housing and Multifamily Housing programs covered in the final rule. HUD will issue additional Departmental notices to implement the NSPIRE rule for the HCV, PBV, and CPD programs included in the NSPIRE final rule.

4. References and Rescinded Notices

With respect to inspections conducted on and after the effective and/or compliance dates for each program identified above,² this notice replaces all UPCS guidance previously issued by HUD, including the Compilation Bulletin for RAPID 4.0 Version 3, UPCS Inspector Notices, and other web-based guidance on requesting appeals regarding Exigent Health and Safety reporting, appeals, database corrections and other UPCS inspection process topics unless otherwise cited by this notice as still in effect.

As described in the final rule, NSPIRE implementation includes three core notices, or sub-regulatory guidance. These notices are the NSPIRE Standards, Scoring, and this Administrative Procedures notice. This Administrative Procedures notice covers the Public Housing and Multifamily Housing programs listed in 24 CFR 5.701.

HUD will issue additional notices on the HCV, PBV, and CPD programs before the rules are effective for their programs on October 1, 2023. CPD programs covered by the NSPIRE rule include HOME, HTF, ESG, HOPWA, and CoC programs as listed in 24 CFR 5.701. The Office of Public and Indian Housing (PIH) will also issue an additional Departmental notice to implement the Small and Rural Assessment requirements under 24 CFR Part 902 Subpart H and Part 985.

As provided in 24 CFR 5.705 and 24 CFR 5.711, HUD will publish NSPIRE standards and scoring methodologies through a Federal Register Notice at least once every three years with the opportunity for public comment prior to implementation. The final NSPIRE Standards and Scoring notices will be final before REAC inspections commence in covered HUD-assisted housing.

In 2024, HUD expects to issue a proposed rule addressing REAC's Inspector Administration oversight of inspection activities. The proposed rule will include required education and experience qualifications, training and testing requirements, and inspector conduct requirements to become certified to perform NSPIRE inspections in HUD-assisted housing. In advance of a rule, and to support inspections commencing in 2023 with the current UPCS-certified inspector workforce, HUD will issue a notice describing recommended inspector training, qualifications, and professional conduct requirements. Until new regulations for inspector administration and

² PHAs and POAs subject to UPCS inspections conducted prior to the effective/compliance dates identified herein shall remain subject to HUD's UPCS administrative and enforcement policies in force as of the dates of those inspections.

certification are promulgated, inspectors trained in the NSPIRE Standards and using HUD's NSPIRE IT application may conduct inspections and are not required to be certified by HUD. Until REAC issues an updated notice on Inspector Administration and Conduct, inspectors performing inspections for REAC or on behalf of HUD should adhere to [REAC Inspector Notice 2016-02](#). In addition to the requirements of this notice, REAC inspectors shall not engage in behavior that may be considered harassment, including making comments on regarding the race, color, gender, sexual orientation, religion, national origin, familial status, or disability of a property representative or resident.

5. Inspectable Areas

The NSPIRE final rule defines the inspectable areas for the inspection as inside, outside, and units of HUD housing at 24 CFR 5.703:

Inside. Inside of HUD housing (or “inside areas”) refers to the common areas and building systems that can be generally found within the building interior and are not inside a unit. Examples of “inside” common areas may include basements, interior or attached garages, enclosed carports, restrooms, closets, utility rooms, mechanical rooms, community rooms, day care rooms, halls, corridors, stairs, shared kitchens, laundry rooms, offices, enclosed porches, enclosed patios, enclosed balconies, and trash collection areas. Examples of building systems include those components that provide domestic water such as pipes, electricity, elevators, emergency power, fire protection, HVAC, and sanitary services.

Outside. Outside of HUD housing (or “outside areas”) refers to the building site, building exterior components, and any building systems located outside of the building or unit. Examples of “outside” components may include fencing, retaining walls, grounds, lighting, mailboxes, project signs, parking lots, detached garage or carport, driveways, play areas and equipment, refuse disposal, roads, storm drainage, non-dwelling buildings, and walkways. Components found on the exterior of the building are also considered outside areas, and examples may include doors, attached porches, attached patios, balconies, car ports, fire escapes, foundations, lighting, roofs, walls, and windows.

Units. A unit (or “dwelling unit”) of HUD housing refers to the interior components of an individual unit. Examples of components included in the interior of a unit may include the balcony, bathroom, call-for-aid (if applicable), carbon monoxide devices, ceiling, doors, electrical systems, enclosed patio, floors, HVAC (where individual units are provided), kitchen, lighting, outlets, smoke detectors, stairs, switches, walls, water heater, and windows.

When conducting an inspection, REAC inspectors will inspect areas within the regulatory definitions for covered properties. While the above definitions establish all potential areas that may be inspected, REAC may narrow locations in the applicable NSPIRE Standard or inspector protocols.

Additionally, inspectors will not inspect areas of the property that are not considered housing or part of the housing project. For example, commercial or market-rate space used for non-residential purposes, and sidewalks, fencing, roads and parking lots not owned or maintained by the property will not be inspected. Within the NSPIRE Standards, REAC will include the specific areas to be inspected, along with the components and the types of deficiencies that may

be recorded for the inspectable items. Generally, NSPIRE inspections will focus on areas where residents live, areas residents can enter, and components or systems that could impact resident safety and health. For example, REAC inspectors should not cite deteriorated paint as a potential lead-based paint hazard in an area that a child under the age of 6 years would not frequent, such as a locked utility closet. Potential lead-based paint hazards are relevant in units, outside, and common areas, including the main entryway, stairways and hallways, and other common areas frequented by a young child.

REAC inspectors will inspect areas and associated items or components that are listed in the regulations as affirmative requirements and those included within the NSPIRE Standards posted in the Federal Register. Inspectors should not cite tenant-owned items or articles that are not considered components of the unit or inside or outside of HUD housing. For example, a tenant-owned picture with broken glass would not be cited for sharp edges, as that is a resident's personal property and not part of the unit or its components. However, REAC inspectors may make an exception and cite certain tenant-owned items in the following examples for:

- tenant-owned items that affect the performance of a fire safety system or otherwise puts the building at risk;
- tenant-owned appliances and associated electrical and venting components, where that appliance is considered the primary item to meet the affirmative requirements in 24 CFR 5.703(d). For example, a tenant-owned refrigerator that is the primary device for safe food storage; and
- tenant-owned items, like an unvented fuel-burning appliance that is in violation of the affirmative requirements.

6. Inspection Timeframes

The frequency of REAC inspections will be performed in accordance with 24 CFR 5.705(c). For most properties, the frequency of an inspection will be determined by the date of the prior inspection and the score received. Properties that score 90 points or higher will be inspected at least every three years. Properties that score over 80 (but less than 90) will be inspected every two years. Properties that receive less than 80 will be inspected annually. In the first year of NSPIRE final rule's implementation, REAC inspections may occur six months before or after the anniversary date. After that, inspections will generally occur up to three months before or after the anniversary date. Public housing properties of PHAs that are identified as Small and Rural at 24 CFR 902.101 will be inspected every three years, unless designated as Troubled under 24 CFR 902.105. The NSPIRE regulations did not revise the existing requirements at 24 CFR 902.13 for Troubled PHAs or Small PHAs with fewer than 250 public housing units. For these PHAs, the inspection frequency will remain the same unless revised in a future rulemaking.

HUD may approve requests by a POA or PHA for extensions of the inspection deadline for good cause as determined by HUD. HUD may also extend inspection deadlines without POA request, as deemed necessary by the Secretary. HUD reserves the right to inspect properties outside of the established inspection frequency, especially where there are concerns about persistent conditions that impact the health and safety of residents. Concerns may be related to compliance with the affirmative requirements, the NSPIRE Standards, or health and safety concerns described in 24 CFR 5.703(e).

7. Preparing for an Inspection

a. Property Verification and Document Collection

To prepare for NSPIRE inspections, PHAs must ensure that their building and unit information and property contact information (including phone number and email address) is correct in the IMS/PIC or successor system. For properties that participate in the Multifamily Housing programs, POAs must ensure that information in the iREMS or successor system about the building and property contact information is current. If PHAs and POAs need assistance with this process, they can work with their assigned field office representatives.

When NSPIRE inspections first launch, REAC will contact the assigned field office staff, POAs and PHAs to request information before the inspection approximately 30 to 90 days prior to the planned inspection. After initial implementation, this initial contact to confirm information in the NSPIRE system, the contact may be up to 120 calendar days in advance of an inspection anniversary (or two or three years after the last inspection, as applicable). After receiving the contact, the PHAs or POAs will:

- Receive an email notification of the possible inspection, with either a fillable PDF or a link to the property profile in the NSPIRE system.
- Through the NSPIRE System, the PHA or POA will:
 - Provide or confirm contact information for the primary representative and any site managers or escorts that will assist on the day of inspection;
 - Verify property profile and unit occupancy pulled from the public housing or Multifamily housing system of record;
 - Provide the date of property construction (if there are multiple dates for separate buildings/sections, provide the earliest date of construction);
 - For buildings where construction began before January 1, 1979, upload a copy of the most recent lead-based paint evaluation or evidence of exemption under 24 CFR 35.115 and/or 42 U.S.C. 4822;³
 - Provide information about water supply provider and water safety alerts, if applicable;
 - Provide other current building system or occupancy certificates (e.g., fire suppression, elevator, boiler), if applicable or required by the jurisdiction;
 - Provide contact information for a resident council or tenant organization; and
 - Submit the information for review by assigned HUD field office staff and the assigned REAC inspector.

If the property profile or unit occupancy information provided in the NSPIRE system is inaccurate, the PHA or POA must correct the information in the Public Housing or Multifamily Housing systems of record, and in some cases, have the assigned HUD field office staff approve the modifications. Modifications that require HUD approval should be completed at least 30 days

³ Among the exemptions from HUD's Lead Safe Housing Rule at 24 CFR 35.115 are exemptions for zero-bedroom units, housing for the elderly, or a property designated exclusively for persons with disabilities, provided there are no children under age 6 years currently residing or expected to be residing in the residence. Supporting evidence for this exemption must include either a lease that includes the residency restriction or other residency agreements or marketing information that includes the restriction. In addition, confirmation that the occupancy information is accurate and there are no children under age 6 in residence.

in advance of the scheduled inspection to ensure that the inspection can be properly scheduled and accurately sampled and scored.

b. Routine Inspection Scheduling

Once REAC has scheduled an inspection, the NSPIRE system will alert the PHA or POA and the assigned HUD field staff representative. Currently, REAC provides a 28-calendar day notice of the inspection. If this time frame is shortened, it will be announced in a subsequent notice. With the advance notice, the assigned REAC inspector will:

- Ask the PHA or POA and assigned HUD field office staff to verify the planned inspection date;
- Review information submitted, and request resolution of any missed questions or information uploads;
- For properties where there are market-rate or other assisted and HUD-assisted units, provide a copy of the rent roll without resident names for assisted units with the door number;
- Ensure information on housing conditions and units to inspect is received from resident councils or tenant organizations, and if not, follow up by phone and email; and
- Confirm arrival location and time, and other site information if necessary.

In advance of the scheduled inspection, PHAs or POAs shall provide notice to all residents as described in 24 CFR 5.711(h) and the lease. HUD suggests at least seven days' notice for residents through multiple communication methods. Notification may be provided through paper or electronic means, including email, text messaging, or through notices posted on the community bulletin board, halls, or doors.

HUD reminds PHAs that all materials, notices, and communications to families regarding the REAC inspection must be clearly communicated and provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with Section 504 of the Rehabilitation Act (Section 504) and HUD's Section 504 regulation, and Titles II or III of the Americans with Disabilities Act (ADA) and implementing regulations. Section 504 and the ADA require recipients to ensure effective communication with applicants, participants, and members of the public and to provide appropriate auxiliary aids and services where necessary to afford individuals with hearing, vision, and other communication-related disabilities an equal opportunity to access information. PHAs must provide appropriate auxiliary aids and services necessary to ensure effective communication in all notices and communications, which includes ensuring that information is provided in appropriate accessible formats as needed, e.g., Braille, audio, large type, assistive listening devices, and sign language interpreters, accessible websites, and other electronic communications (see 24 CFR 8.6, 28 CFR 35.160, and 28 CFR 36.303).

8. During the Inspection

REAC Inspectors may include HUD staff or persons working under a contract with HUD to perform inspections. Inspectors will follow protocols established by REAC and should perform their work in compliance with contract requirements. Property representatives must escort the inspectors during the inspection. Units inspected will include those randomly selected by the NSPIRE application and up to five additional units recommended by the resident council or

tenant organization. If resident council or tenant organization recommends more than five units, the NSPIRE system will randomly select up to five of the recommended units. Where units recommended by the resident council or tenant organization overlap with the official sample, they will be included in the score. Additional information about Resident Feedback is provided in Section 10 of this notice.

The NSPIRE application will prioritize currently occupied units for inspection and may include vacant units. REAC is seeking comment on this practice and will consider it for NSPIRE inspector protocols. Comments should be submitted as advised in Section 2. If the inspector is unable to enter a unit, the inspector will select another unit from the list of unit alternatives. Where the resident does not seem to be home but has been notified of the inspection as required in the lease, the PHAs, POAs and/or property representatives should attempt to provide access. After knocking at least two separate times, the property representative should announce that they have opened the door and announce the purpose of the visit.

During the inspection, the PHA, POA or property representatives should not:

- interfere with or delay the inspection;
- block inspectable areas;
- dispute deficiencies or validity of observed defects;
- ask for the inspector's advice on how to correct deficiencies;
- ask for the inspector's advice on how to improve their score or avoid future deficiency citations; or
- engage in behavior that may be considered harassment, including making comments on an inspector's race, color, gender, sexual orientation, religion, national origin, familial status, or disability.

REAC is aware of consultants that offer services to monitor or shadow REAC inspectors during the inspection. REAC has received complaints that inspection consultants have disputed the observed defects and delayed the completion of the inspection. Additionally, having multiple inspectors at the site and in the units imposes an additional burden on residents on inspection day. At this time, this service is not prohibited, but REAC is considering a ban on these activities during the inspection. REAC will accept comments from the public on this activity in advance of a final decision. Until then, consultants working at the site on inspection day should not interfere with the REAC inspection and are expected to adhere to the prohibitions above for the PHA, POA, or property representative.

If a REAC inspector experiences issues during the inspection related to prohibited activities, they may halt the inspection. When this occurs, the inspector should notify REAC Technical Assistance Center (TAC) (1-888-245-4860 or REAC_TAC@hud.gov) that the inspection is incomplete and provide the reason(s) it was halted within 2 business days. If the inspection is partially completed, the inspector shall provide the PHA or POA with a report of any observed Life-Threatening and Severe deficiencies. REAC will reschedule with the PHA or POA for a date to complete the inspection.

9. After the Inspection

At the conclusion of the inspection, or at the end of each day on a multiple-day inspection, the inspector will provide the POA or property representative a list of Life-Threatening and Severe

conditions that must be corrected within 24 hours of receipt of notification of the deficiencies, with certification of correction submitted to HUD within 2 business days of receipt of notification of the deficiencies. The inspector will email this information to the property representative in PDF format, with a courtesy copy to the official POA or PHA representative if they are not also the property representative. The full NSPIRE inspection report with all Life-Threatening, Severe, Moderate, and Low risk deficiencies and score will be electronically provided within 15 business days. In the initial year of NSPIRE implementation, REAC will do an additional quality assurance review of inspections to ensure that the score is accurate. PHAs and POAs are required to correct identified deficiencies within timelines established in the NSPIRE standards, conduct self-inspections and may be subject to additional requirements by HUD if referred for Administrative Review. PHAs or POAs may seek a technical review to appeal REAC inspection findings or score based on certain criteria that, if corrected, would result in significant improvement in the overall score of the property. Additionally, PHAs and POAs are required to make inspection results available to residents. Significant improvement refers to, per 24 CFR 5.711(d)(5), an increase in a score for the property such that the new score crosses an administratively significant threshold such as increasing the property score 60 or above or change the inspection frequency as described in 24 CFR 5.705(c).

a. Submitting Evidence of Correction of Life-Threatening and Severe Conditions

This notice updates the requirements for resolving deficiencies, including providing supporting evidence of deficiency correction as required by 24 CFR 5.711(c). Proof of work can be (but is not limited to) work orders, invoices, and in some cases photographs, provided the photograph is of the area cited by HUD and aligns with HUD's evidence of the location. PHAs and POAs will have access to HUD's inspection results and photo evidence in the NSPIRE system to assist them in providing evidence. In the context of 24 CFR 5.711, "corrected" means the POA or PHA has resolved or sufficiently corrected the deficiency such that it no longer poses a severe health or safety risk to residents of the property, or that the hazard is blocked until permanent repairs can be completed. If permanent repair will take longer than the allowable time in the relevant standard for the deficiency, the owner or PHA must provide HUD a timeframe for completing permanent repairs for HUD approval. If the correction is a temporary correction to block the hazard, or if professional services or materials to complete the work were not available in 24 hours, the PHA or POA must provide a target date for when the permanent correction will be completed. HUD considers permanent repairs to be those that have an expected design life of at least 20 years, or those that meet the manufacturer's recommendations for service life.

When one repair corrects multiple deficiencies, the PHA or POA can request that HUD consider evidence of correction for the multiple deficiencies and close out all the deficiencies at once.

In the submission to the NSPIRE system to correct Life-Threatening and Severe deficiencies, the PHA or POA must certify that the evidence and assertions contained in the submission are true, complete, and accurate to the best of its knowledge. Further, it will affirm awareness that any false, fictitious, or fraudulent statements or claims may subject it to criminal, civil, or administrative penalties. (18 U.S. C. § 1001).

b. Timelines for Correcting Deficiencies

Under the NSPIRE Standards, for the public housing and Multifamily housing programs, Life-Threatening and Severe deficiencies must be corrected within 24 hours. For these corrections,

the 24-hour timeframe commences immediately upon notification and does not pause for non-working hours, including the weekend.

Moderate deficiencies must be corrected within 30 days, and Low deficiencies within 60 days, or as otherwise provided in the NSPIRE Standards. Repairs should be permanent fixes unless otherwise approved by HUD in writing, and not just temporary corrections to block a hazard. HUD may also prescribe timelines in Corrective Action Plans as defined in 24 CFR 902.3 or Corrective Action Agreements as described in 24 CFR 902.105.

If permanent repair will take longer than the allowable time in the relevant standard for the deficiency, the POA or PHA must provide HUD with a timeframe for completing permanent repairs and submit evidence that the repair is in progress. Any extension to the allowable time for rectifying the deficiency is allowed only upon HUD approval for good cause. In the initial term of NSPIRE implementation, this process should be conducted via email to the field office representative with a courtesy copy to NSPIRERegulations@hud.gov. Once the NSPIRE System is fully operational with all functionalities, PHAs or POAs will be able to complete this process within the application.

c. Best Practices for Correcting Life-threatening and Severe Deficiencies in 24 Hours

In the context of 24 CFR 5.711, “corrected” means the PHA or POA has resolved or sufficiently addressed the deficiency in a manner that it no longer poses a severe health or safety risk to residents. A correction could include controlling or blocking access to the hazard by performing a temporary relocation of the resident while repairs are made.

HUD recognizes that to permanently repair some deficiencies, the PHA or POA may need additional time to acquire a licensed professional or supplies that may not be available in a 24-hour timeframe. As such, for Life-Threatening and Severe defects, HUD expects that permanent repairs will be completed expeditiously, and that evidence of the repair will be provided to HUD as described in 24 CFR 5.711(c)(1). For all deficiencies, the PHA or POA should prioritize permanent repairs over quick fixes that may degrade before the next inspection. As part of the self-inspection process, PHAs and POAs must ensure that deficiencies previously cited and repaired have not subsequently failed.

NSPIRE allows interim repairs that remove a health and safety hazard even though those repairs are not permanent. For example, a missing Ground Fault Circuit Interrupter (GFCI) can have an interim repair such as blank cover plate. Such interim repairs must be fully repaired within a reasonable timeframe approved by HUD or its designee (such as a PHA). Interim repairs are not required to be aesthetically pleasing or conforming to other aspects of the building and HUD acknowledges that such repairs may have salient qualities that disproportionately attract attention. However, if the interim repair effectively removes the health and safety hazard until full or permanent repair is performed, and if full repair is completed within a HUD-approved timeframe, then the interim repair is acceptable under NSPIRE. If the interim repair is implemented prior to the inspection, the timeline for full repair, i.e., 24 hours, begins at the time of inspection, without regard to the time of the initial, pre-inspection implementation of the interim repair. The evidence of repair must be submitted within 48 hours after the 24-hour deadline, allowing 72 hours for the full process.

i. Potential Lead-based Paint Hazards

Under the NSPIRE rule, the REAC inspection will include a visual assessment for the lead-based paint hazard of deteriorated paint as described in the NSPIRE Standards. The requirements for this assessment apply only to “target housing,” which per 15 U.S.C. § 2681(17) and 42 U.S.C. § 4851b(27) is any housing constructed prior to 1978, except housing for the elderly, persons with disabilities, or any zero-bedroom dwelling, unless a child of less than 6 years of age resides or is expected to reside in such housing. This additional evaluation by REAC for potential lead-based paint hazards does not replace or supplant the PHA’s or POA’s responsibilities under the Lead Safe Housing Rule at 24 CFR Part 35, subparts B, D, G, H, I, L, M, and/or R, as applicable.

Where an NSPIRE inspection identifies deteriorated paint, the PHA or POA should first verify that the property or unit is target housing, and if so, whether it is exempt from the Lead Safe Housing Rule. If an exemption applies, the PHA or POA must upload evidence of the exemption to the NSPIRE system and affirm whether children under the age of 6 years currently reside in the property. For additional guidance, see questions B11 and B12 of the “Interpretive Guidance on HUD’s Lead Safe Housing Rule.” Evidence of an exemption can include the lease or other residency agreement that affirms that the property is designated exclusively for occupancy by the elderly or persons with disabilities. Other residency agreements could include a HUD-approved Designated Housing Plan, property deed or charter, or occupancy restrictions approved by HUD or the PHA’s Board of Commissioners.⁴

Where the property is considered target housing, and no exemption applies, the PHA or POA should next determine if the surfaces identified in the inspection contain lead-based paint. This determination can include evaluating the results of a lead-based paint inspection or paint testing as described at 24 CFR 35.1320(a), or by performing a new lead-based paint inspection or paint testing.

HUD-assisted rental housing covered under the Lead Safe Housing Rule shall maintain a copy of each notice, evaluation, and clearance or abatement report required by 24 CFR 35.175 for at least three years. Those records applicable to a portion of a residential property for which ongoing lead-based paint maintenance and/or reevaluation activities are required shall be kept and made available for HUD’s review until at least three years after such activities are no longer required. Records can be filed at the property or maintained at a location available to staff and residents, such as the property manager or owner’s office. Maintenance of this information helps PHAs and POAs to comply with all applicable HUD and EPA regulations, including the Lead Disclosure Rule at 24 CFR part 35, subpart A and EPA’s Renovation, Repair and Painting Rule (RRP Rule) and Abatement Rule, at 40 CFR part 745, subparts E, L, and Q. Under the RRP Rule, firms, staff, or outside contractors performing renovations, repairs, painting, interim controls, or abatement of

⁴ An occupancy or leasing preference for seniors (e.g., aged 55 years and up), the elderly, and/or disabled persons is not sufficient basis for an exemption under the Lead Safe Housing Rule.

lead-based paint hazards must be EPA- or state-certified, to the extent required by the EPA rules.⁵

For Public Housing, when deteriorated paint is identified in the unit, the property representative should determine whether a child under age 6 currently resides there⁶ and whether the surfaces identified contain lead-based paint as defined in 24 CFR 35.110. Information about whether the surface contains lead-based paint should be within the property's lead-based paint inspection as required under 24 CFR 35.1115. In the absence of a lead-based paint inspection or paint testing, the PHA shall presume the paint is lead-based paint in accordance with 24 CFR 35.120. If deteriorated lead-based paint is present in a unit where a child under age 6 is in residence or in common areas servicing such a unit, the PHA must develop a plan to complete lead hazard control as required under 24 CFR 35.1120(b)(1) within 90 days. Where deteriorated lead-based paint is identified in the inside areas or on the exterior of the building where no children under age 6 reside, the PHA must follow 24 CFR 35.1120(b)(2). Where a PHA undertakes lead-hazard control or abatement, PHAs shall ensure compliance with 24 CFR 35.1345 for occupant protection and worksite preparation, including temporary relocation where required, and comply with all other requirements of 24 CFR part 35, subpart R, including but not limited to lead safe work practices, clearance, and ongoing lead-based paint maintenance and revaluation.

For properties receiving Project-based Assistance as described at 24 CFR 35.700 where deteriorated paint is identified in the unit, the POA should determine whether a child under age 6 currently resides there⁷ and whether the surfaces identified contain lead-based paint as defined in 24 CFR 35.110. In the absence of a lead-based paint inspection, risk assessment, or paint testing as described at 24 CFR 35.1320(a) and (b), the POA shall presume that all painted surfaces contain lead-based paint in accordance with 24 CFR 35.120. If the surface contains lead-based paint and there is a child under age 6 in residence, the POA must have a plan to complete lead hazard control as required under 24 CFR 35.715(b)(1) or 24 CFR 35.720(a)(2), as applicable, within required timelines.⁸ Plans developed by a POA can include additional evaluation as described under 24 CFR 35.1320 by a certified Lead-based Paint Inspector or Lead-based Paint Risk Assessor to include paint testing. Where a POA undertakes lead-hazard control, the requirements of 24 CFR 35.1345 for occupant protection and worksite preparation, including relocation where required, apply. Additionally, the POA shall ensure compliance with all other requirements of 24 CFR part 35, subpart R, including but not limited to lead safe work practices, clearance, and ongoing lead-based paint maintenance and revaluation.

For properties receiving Multifamily Mortgage Insurance, as described at 24 CFR 35.600 where deteriorated paint is identified in the unit, the POA should determine whether a child

⁵ For example, if a PHA or property manager has staff that perform painting or repair work that disturbs paint in target housing that is known or presumed to be lead-based paint, the PHA or property management company must be EPA- or state-certified as a firm, and all workers performing the work must be trained as required under 40 CFR 745 Subpart E and the LSHR at 24 CFR 35.1330(a)(4).

⁶ If the presence or absence of any children under age 6 cannot be determined, such presence shall be presumed.

⁷ If the presence or absence of any children under age 6 cannot be determined, such presence shall be presumed.

⁸ Where there is project-based assistance, the requirements of the Lead Safe Housing Rule depend on the per-unit subsidy. Almost all project-based assistance meets the more-than-\$5,000 per unit per year threshold for the requirements of 24 CFR 35.715 to apply.

under age 6 currently resides there⁹ and whether the surfaces identified contain lead-based paint as defined in 24 CFR 35.110. In the absence of a lead-based paint inspection, risk assessment, or paint testing as described at 24 CFR 35.1320(a) and (b), the POA shall presume that all painted surfaces contain lead-based paint in accordance with 24 CFR 35.120. If the surface contains lead-based paint and there is a child under age 6 in residence, the POA must have a plan to complete lead hazard control as required under 24 CFR 35.620 or 24 CFR 35.625, as applicable, within required timelines. Where a POA undertakes lead-hazard control, the requirements of 24 CFR 35.1345 for occupant protection and worksite preparation, including relocation where required, apply. Additionally, the POA shall ensure compliance with all other requirements of 24 CFR part 35, subpart R, including but not limited to lead safe work practices, clearance, and ongoing lead-based paint maintenance and reevaluation.

ii. Pest Infestation

For Life-Threatening or Severe pest infestations, PHAs or POAs should identify a pest control inspector that is trained in Integrated Pest Management and initiate activities as described in [PIH Notice 2007-12](#). HUD encourages Multifamily program properties to develop Integrated Pest Management plans to address pest infestation as described in Housing Notice 2012-5.¹⁰

Initiation of an appropriate pest management plan meets the requirement for correction, with the understanding that, while pests may still be present at the start of the pest management plan, they will be managed through the pest management plan. Ongoing implementation of an appropriate pest management plan (i.e., a pest management plan documented and initiated prior to the inspection) will also satisfy this condition. Within the correction timeframe, documentation must be provided for the pest management plan, and this documentation must include: a start date of the plan; servicing schedule; methods of pest monitoring, managing and treatment and other factors as determined by HUD, the PHA/POA, and/or other relevant authority. Integrated Pest Management (IPM) is strongly encouraged; IPM, broadly stated, uses prevention-based pest management methods, with a focus on:

- Identifying and correcting building conditions that contribute to infestation;
- Reducing use of pesticides (especially routine or untargeted pesticide application);
- Modification of hygiene and sanitation practices in and on the property; and
- Assessment and on-going monitoring to ensure appropriate interventions as needed.

For Moderate, and Low Risk pest infestations, PHAs or POAs should follow HUD guidance cited in this notice and consider implementing IPM before the infestation expands. For additional information, see [PIH Notice 2007-12](#) and www.stoppests.org.

iii. Mold and Moisture

For Life-threatening or Severe mold and moisture deficiencies, within 24 hours, the PHA or POA shall assess and control the moisture source and provide REAC a plan for additional

⁹ If the presence or absence of any children under age 6 cannot be determined, such presence shall be presumed.

¹⁰ PIH Notice 2012-17 applies to Housing Choice Voucher programs as well. HUD reviews Integrated Pest Management and provides resources for all HUD-assisted housing at this link: https://www.hud.gov/program_offices/healthy_homes/healthyhomes/ipm.

evaluation and remediation. Residents should be temporarily relocated until mold and moisture conditions are controlled.

Mold evaluation should be visual and include the use of a moisture meter. Evaluation should focus on the source of moisture and the conditions that contributed to the mold growth. Additionally, the evaluator should evaluate the extent of the mold growth and whether contaminated materials and building materials can be cleaned or must be removed.¹¹ In most cases, air and mold sampling is unnecessary. REAC considers air sampling as inconclusive, as there are no federal standards for comparison. REAC also does not consider sampling of mold for lab analysis to determine the mold type as necessary, as the NSPIRE Standards apply to all types of mold, regardless of genus and species. For more information on mold assessment, see the National Institute for Occupational Safety and Health (NIOSH), [Dampness and Mold Assessment Tool for General Buildings](#). For additional guidance on mold remediation, see resources at www.epa.gov/mold, including EPA's "Mold Remediation in Schools and Commercial Buildings."

d. Self-inspection Requirements

Self-inspections of property conditions are a key component to ensuring properties remain in compliance with 24 CFR 5.703 and the NSPIRE Standards and ensure a safe living environment for residents. Regular self-inspections are also part of regular preventive maintenance rather than "just-in-time" repairs ahead of HUD-conducted inspections. As required by 24 CFR 5.707, for Public Housing and Multifamily Housing properties subject to an assistance contract, PHAs and POAs are required to perform self-inspections of all units at least annually. The timing of individual unit inspection is not specified in the regulations and may be done in conjunction with tenant re-examinations or at the conclusion of the REAC inspection,¹² provided each is inspected at least annually. When conducting inspections, PHAs and POAs must ensure compliance with the affirmative requirements and the NSPIRE Standards for all units, not just those that are occupied at the time of the inspection.

As provided in 24 CFR 5.711(c)(2), for properties that score below 60, the POA or PHA must conduct a survey of the entire project, including all units, inside and outside, for any deficiency, and must electronically submit a copy of the results of the survey to HUD. The survey reports shall be provided to NSPIRERegulations@hud.gov with a courtesy copy to the assigned field office representative until the NSPIRE system can receive the submission. HUD will announce when the NSPIRE system is fully operational to receive self-inspections. Survey results are due 60 days after the NSPIRE inspection is completed, or as further provided by HUD notice.

PHAs or POAs shall ensure that all deficiencies identified in the self-inspection, or post-REAC inspection survey, are resolved within the timeframes established in the NSPIRE standards or as otherwise provided by HUD notice. PHAs or POAs are not required to upload the evidence of correction for units not inspected by REAC unless otherwise directed by HUD notice. However, PHAs and POAs must maintain copies of self-inspection results for at least three years after completion for each unit as required by 24 CFR 5.707.

¹¹ Mold assessment may require the use of certified or licensed firms in certain states.

¹² For example, for properties scoring less than 60, post-report inspections required pursuant to 24 CFR 5.711(c)(2) fulfill the annual self-inspection requirement.

e. Technical reviews

Under the NSPIRE rule at 24 CFR 5.711(d), a PHA or POA can request a technical review of the inspection results and score, starting on July 1, 2023, for Public Housing properties and on October 1, 2023, for Multifamily Housing programs. The regulations for technical review under NSPIRE align the Public Housing and Multifamily Housing programs regulations and remove the term “database adjustment” that was provided under the former UPCS provisions. The technical review process allows PHAs and POAs to have points restored for verifiable reasons, including HUD or inspector error, adverse conditions beyond their control, modernization work in progress, and conflicts with state or local code. A request for a technical review of inspection results must be submitted electronically in the NSPIRE system. REAC must receive it no later than the 45th calendar day following the day HUD provides the inspection report to the POA or PHA. A copy of the appeal should be sent to NSPIRERegulations@hud.gov, with a courtesy copy to the HUD field office representative for that PHA or POA.

A request for a technical review of inspection results must be accompanied by evidence that supports the claim. PHAs or POAs should only seek a technical review which, if corrected, will result in a significant improvement in the overall score of the property. Per 24 CFR 5.711(d)(5), significant improvement refers to an increase in a score for the property such that the new score crosses an administratively significant threshold, which may include an increase in the property score to 60 or above or change the inspection frequency as described in 24 CFR 5.705(c).

REAC will not conduct a technical review of the inspection results based on a PHA or POA’s correction of conditions after the inspection. Upon receipt of this request from the POA or PHA, REAC will review the inspection and the evidence. REAC may consult with HUD field or program staff as part of the review. Based on review, REAC may:

- Undertake a new inspection;
- Correct the original inspection; or
- Issue a new physical condition score.

REAC may undertake a new inspection if the inspection completed has significant anomalies or errors. This decision may be made when the inspection is received by REAC, and before the report is released to the PHA. If this occurs, the new inspection will typically be scheduled within 30 days of the original inspection, with at least a 14-day notice to the PHA or POA. For all technical reviews that do not include undertaking a new inspection, REAC expects to issue a decision within 90 days of a complete application. In the first year of NSPIRE implementation, this timeline may go up to 120 days. PHAs or POAs that do not hear from REAC on the status of their appeal within 120 days will have all points relating to appealed deficiencies restored. If the PHA or POA does not hear from HUD within the correction deadlines established in the NSPIRE Standards, the PHA or POA shall assume that the individual deficiency stands and shall complete corrections within the timelines established under 24 CFR 5.711(c)(2).

10. Administrative Review

Properties that score 30 or less under the NSPIRE Standards are subject to administrative review by HUD pursuant to 24 CFR 5.711(i). Properties that score under 60 in two successive inspections may be subject to administrative review. These properties may have health and safety hazards that merit immediate correction and reporting, and in some cases, evaluation by HUD’s Departmental Enforcement Center (DEC). As required by regulation 24 CFR 5.711(i), scores of

30 points or less will be automatically referred to the DEC for evaluation. For properties that receive two successive NSPIRE scores under 60, the regulations provide for discretionary referrals to the DEC, per 24 CFR 5.711(i).

For Multifamily Housing programs, the administrative review process is described in Housing Notice 2018-08 and/or successor notices.

For Public Housing properties that score 30 or less, the DEC will evaluate the PHA's correction of Life Threatening and Severe deficiencies. If the PHA is not responsive or does not correct these deficiencies, the PHA may be referred to the Assistant Secretary for Public and Indian Housing for sanctions or other actions.

For scores of 31- 59, PIH will retain some discretionary review of the PHA before or in place of a referral to the DEC. This review will consider the PHA's rating under the Public Housing Assessment System (PHAS), and whether there are other administrative tools such as a Corrective Action Plan or PHAS Recovery Agreement that includes the property.

Under 24 CFR 5.711(j), there is no limitation on existing enforcement authority, and HUD has added the term "grant agreement" as an example of a potential authorizing authority.

11. Resident Feedback and Unit Recommendation Process

The prioritization of residents' health and safety is paramount under the NSPIRE rule and Standards.

In advance of the inspection, Residents' Groups will identify the particular dwelling units they would like to add to the inspection process. HUD will provide an electronic mechanism for Residents' Groups to submit the particular dwelling units to HUD. HUD will inform residents when they can submit recommendations through the automated system approximately 180 days prior to the inspection. Residents may electronically submit unit recommendations through the automated system or email but will be asked to complete all submissions at least 30 days prior to the inspection.

Once the information is received, the NSPIRE system will randomly select up to five recommended units to add to the scheduled NSPIRE inspection. If the Residents' Groups submit five or fewer units, the NSPIRE system will add them all to the scheduled inspection. The inspector will inspect these units and identify Life-Threatening, Severe, Moderate, and Low deficiencies as described in the NSPIRE Standards notice. Only Resident-recommended units that were randomly selected for the NSPIRE inspection sample will be scored or be part of the official property score. Nevertheless, all Life-Threatening and Severe deficiencies identified during the NSPIRE inspection must be corrected within 24 hours, and the PHA or POA must submit evidence of the correction along with evidence for other sampled and scored units.

Approximately 15 days after the inspection, REAC will provide an inspection report to the Field Office and the PHA or POA. This report will be provided to all residents as described at 24 CFR 5.711(h). As required by the NSPIRE Rule, any findings or deficiencies cited in the resident group-identified units must be corrected within timelines established in the NSPIRE Standards but will not be a part of the official score unless these units were also randomly selected in the HUD-generated NSPIRE inspection sample.

In between NSPIRE inspections, HUD encourages residents to quickly report hazards or defects in building systems, fixtures, appliances, or other parts of the unit, the grounds, or related facilities to their landlord, property owner, manager, PHA contact, or PHA Board of Commissioners (as applicable). POAs should also keep residents informed of the status of residents' requests and ensure that properties are maintained in accordance with the NSPIRE regulations and Standards.

12. Point of Contact

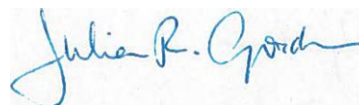
Tara J. Radosevich, Real Estate Assessment Center, Office of Public and Indian Housing, Department of Housing and Urban Development, 550 12th Street SW, Suite 100, Washington, DC 20410-4000, telephone number 612-370-3009 (this is not a toll-free number), NSPIRERegulations@hud.gov.

HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit:

<https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>.



Richard J. Monocchio
Principal Deputy Assistant Secretary
for Public and Indian Housing



Julia R. Gordon
Assistant Secretary for Housing –
FHA Commissioner