

MEMO

03/12/2024



To: Owners & Managers of Utah LIHTC Section 42 Properties

From: Compliance - Multifamily Finance & Development Department

Effective Date: October 1, 2024

RE: NSPIRE – National Standards for the Physical Inspection of Real Estate

Effective October 1, 2024, NSPIRE, which stands for National Standards for the Physical Inspection of Real Estate, will become the minimum property inspection standard, replacing the Uniform Property Condition Standards (UPCS) in the Utah Housing Corporation Portfolio. The Tax Credit program relies on HUD guidance for property inspection standards. NSPIRE is one of many initiatives HUD has taken to improve and streamline its program inspection requirements for all HUD programs, focusing on resident safety and well-being.

How does the NSPIRE inspection standard affect property inspections in Utah Housing Corporation's portfolio?

What will not change:

The inspection criteria and how the deficiencies are categorized may differ, but the process for scheduling and conducting property inspection expectations for properties to maintain quality affordable housing remains the same. Uncorrected deficiencies may affect future requests for funding or management agent approval. Properties in the Utah Housing Corporation portfolio must continue:

- Complying with the Utah Building Code and local codes
- Ensuring all property features and systems work as designed
- Promptly repairing all areas that pose a safety hazard

What will change:

NSPIRE outlines four deficiency categories and three inspectable areas.

- Inspectable Areas
 - Outside includes site and exterior area
 - Inside includes common areas
 - Units
- Deficiency Categories
 - Low – up to 60-day repair time
 - Moderate – up to 30-day repair time
 - Severe Life-Threatening (LT) Emergency Repairs- 24-hour repair time
 - Severe Non-Life-Threatening (NLT) – 30-day repair time

Inspections conducted on or after October 1, 2024 will be under the NSPIRE requirements and any deficiencies will be required to be corrected in accordance with the NSPIRE requirements.

NSPIRE does not provide exceptions (**No Grandfathered in**) for the inspection requirements and may necessitate the installation of certain components that may not have been a part of the original property design. New requirements include but are not limited to, the location of GFCI outlets, installing smoke detectors in all bedrooms, and ensuring the water heater TPR discharge pipe is an “approved material” and meets measurement requirements. Please review the [NSPIRE Inspection Standards](#) for additional information. This is a time of transition for all. We will continue working with our partners to implement the new inspection requirements practically and reasonably. As of December 29, 2024, all smoke detectors which are solely battery-operated will have to have sealed, tamper-proof batteries.

As always, we are available to answer any questions. Email us or call us at 801-902-8200.

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Additional Resources:

[HUD NSPIRE](#)

[US Housing Consultants - Manual](#)

[US Inspection Group 2 Min Videos](#)