



Indiana Housing & Community Development Authority

To: Real Estate Department Partners
From: Real Estate Department
Date: June 6, 2025- **UPDATED JANUARY 9, 2026**
Re: NSPIRE Frequently Asked Questions

Notice: RED-26-02

IHCDA is providing this FAQ regarding the National Standards for the Physical Inspection of Real Estate ("NSPIRE") inspection standards based on recent questions and inspection results. This FAQ will be updated as needed with additional guidance.

[IHCDA's compliance webpage](#) contains various NSPIRE resources including training materials, the NSPIRE Final Rule, and the NSPIRE standards. Information on NSPIRE affirmative habitability requirements is also included in the compliance manuals.

Questions about IHCDA's inspection process or specific inspection results can be directed to Chris Rivera, Real Estate Inspector, via crivera@ihcda.in.gov. Questions about IHCDA's NSPIRE implementation plan and policies can be directed to Matt Rayburn, Deputy Executive Director & Chief Real Estate Development Officer, via mrayburn@ihcda.in.gov.

NSPIRE APPLICABILITY

Question #1: What inspection standard will IHCDA use when inspecting a property?

Answer #1: IHCDA will use the NSPIRE standards for all inspections. For tax credit inspections, IHCDA will ensure that any additional QAP requirements have also been met based on the QAP that the project was funded under. QAP requirements that are stricter than or in addition to NSPIRE standards must be followed where applicable.

Question #2: My property was funded and/or placed-in-service before NSPIRE. Am I grandfathered into the old Uniform Physical Conditions Standards (UPCS)?

Answer #2: No. NSPIRE standards apply retroactively to all projects regardless of the year of allocation or placed-in-service. IHCDA implemented NSPIRE effective January 1, 2024 for all construction progress and ongoing compliance inspections for programs that previously used the UPCS inspection standard.

EGRESS REQUIREMENTS

Question #1: How will an IHCDA inspector write up issues related to blocked egress, specifically when obstruction is caused by resident-owned property?

Answer #1: IHCDA will apply the NSPIRE egress standard as follows.

- In a unit- if an egress door is blocked by resident-owned property, the inspector will write



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- up as a life-threatening safety issue under Deficiency #1
- In a unit- if a window is blocked by resident-owned property, the inspector will not write up as obstruction
- In a unit- if access to a fire escape is blocked by resident-owned property, the inspector will not write up as an obstruction
- Interior (non-unit)- if doors are blocked by anything, the inspector will write up as a life-threatening safety issue under Deficiency #1
- Exterior- if an item on the outside is blocking access to a fire escape, the inspector will write up as a life-threatening safety issue under Deficiency #1

[See the NSPIRE Egress standard V3.0 for additional information.](#)

GFCI REQUIREMENTS (QUESTION #3 ADDED 1/9/26)

Question #1: Is a washing machine's water connection considered a water source for purposes of the NSPIRE GFCI rules?

Answer #1: Yes. Therefore, all outlets within six feet of the washing machine connection must be GFCI protected.

Question #2: The NSPIRE GFCI standard includes an exception for an outlet that is dedicated to a major appliance. What is a dedicated outlet?

Answer #2: A dedicated outlet must be single outlet dedicated to an appliance that "is only capable of serving that specific appliance." A dedicated outlet cannot be a dual/duplex outlet. See the [NSPIRE Electrical- GFCI/AFCI Outlet or Breaker standard V3.0](#) for additional information.

Question #3: If the open water source is a sink, how is the measurement made to determine if the sink is within six feet of an outlet?

Answer #3: Distance is measured from the center of the sink.

SMOKE ALARM REQUIREMENTS

Question #1: The NSPIRE smoke alarm standard states that a smoke alarm "should be installed at least 10 feet from a cooking appliance" and "should not be installed near windows, doors, or ducts where drafts might interfere with their operation." Will an IHCDA inspector write this up as an issue during an inspection?

Answer #1: No. It is IHCDA's understanding that HUD has determined these are best practice recommendations, not strict requirements. IHCDA recommends that owner agents comply with these standards to maximize safety and ensure proper functionality of smoke alarms. However, IHCDA will not inspect for compliance with these recommendations.

WATER HEATER REQUIREMENTS

Question #1: Please clarify the NSPIRE requirement for relief valve discharge piping for water heaters.

Answer #1: The NSPIRE standard notes it is a deficiency if a relief valve discharge piping "terminates greater than 6 inches or less than 2 inches from waste receptor flood-

level." Therefore, there should be an air gap of at least 2" but no more than 6" above the lip of the floor drain or any other type of drain. See the [NSPIRE Water Heaters standard V3.0](#) for additional information.