



Indiana Housing & Community Development Authority

To: IHCDA HOPWA Project Sponsors
From: Community Services Division
Release Date: February 2, 2026
Effective Date: February 2, 2026
Subject: NSPIRE Adaptation in the HOPWA Program

Program Guidance: CS-026-01

Beginning February 2, 2026, IHCDA's HOPWA program will utilize the National Standards for the Physical Inspection of Real Estate (NSPIRE) for clients placed in new units, in accordance with [FR-6469-N-01](#) and the supplemental material [published here](#). Previously, Project Sponsors were required to exclusively use the Habitability Quality Standards (HQS) inspection framework.

The IHCDA HOPWA manual is being updated to reflect this guidance and will be posted [on IHCDA's website](#) when available. Additionally, provisions in this guidance are subject to change based on updated guidance received from the U.S Department of Housing and Urban Development.

NSPIRE Applicability:

The NSPIRE requirements apply for all new units assisted through Tenant Based Rental Assistance (TBRA), Project Based Rental Assistance (PBRA), and Operating Costs. NSPIRE requirements do not apply to any units assisted through Short-Term Rent, Mortgage, and Utilities (STRMU) and Permanent Housing Placement (PHP).

For clients living in a HOPWA-assisted unit before February 2, 2026, annual inspections and renewals must be completed with the HQS framework. If the client moves to a new HOPWA-assisted unit, the new unit is subject to the NSPIRE requirements.

Units associated with STRMU and PHP are required to ensure that smoke and carbon monoxide detectors/alarms are present and functioning. Additionally, activities such as Supportive Services, Housing Information Services, Resource Identification, and Administration are exempt from NSPIRE activities.

Guidance to Using NSPIRE:

The NSPIRE HOPWA Notice describes affirmative requirements as the basic requirements that must be met for HOPWA housing assistance to be provided. The NSPIRE affirmative requirements are described at [24 CFR 5.703 \(b-d\)](#).

While not all possible deficiencies outlined in the HOPWA NSPIRE Standards are affirmative requirements, all deficiencies must be addressed prior to HOPWA assistance being



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administered. The NSPIRE Rule requires HOPWA-assisted units to be inspected according to the Unit ([24 CFR 5.703\(d\)](#)), Inside area ([24 CFR 5.703\(b\)](#)), and Outside area ([24 CFR 5.703\(c\)](#)).

Housing that does not meet affirmative requirements is therefore not eligible to receive HOPWA assistance. Additionally, housing that does not address all deficiencies identified within the timeline outlined in Table 1 will also not be eligible for HOPWA assistance.

Table 1: Timelines to Correct Deficiencies by Health and Safety Category

Health and Safety Category – Level of Deficiency	Timeline to Fix Deficiency	Extensions to Timeline Allowed
Low	60 Days	Yes, on a case-by-case basis. See “Fixing Deficiencies” section of Guidance.
Moderate	30 Days	Yes, on a case-by-case basis. See “Fixing Deficiencies” section of Guidance.
Severe	30 Days	No.
Life-Threatening	24 Hours (1 Day)	No.

Descriptions of each Health and Safety Category, the inspection criterion in each applicable area, and the Affirmative Habitability Requirements applicable to HOPWA can be found in [FR-6469-N-01](#) and the [HOPWA NSPIRE Standards](#).

Fixing Deficiencies

The terms in the signed lease and Rental Assistance Payment contracts will dictate who is financially responsible for fixing the deficiency identified.

For “Low” and “Moderate” deficiencies, IHCDA will only allow time extensions in the following cases:

1. If an extension to one or more “low” or “moderate” deficiencies does not violate any local housing codes; AND
2. Identifying another unit for the client household is not possible; AND
3. The landlord or building manager is fully committed to addressing the deficiencies.

To request an extension, Project Sponsors should email their Grants Analyst the following information:

1. The location (county or metropolitan area) in which the unit is located. Due to confidentiality requirements associated with the HOPWA program, please do not send the unit’s address or any other personal identifiable information via email.
2. An outline of the deficiencies identified
3. An explanation of the situation that has occurred and why an extension is needed
4. The requested amount of additional time needed to address the deficiency (in days)
5. Process that Project Sponsor will take to ensure that deficiencies are addressed by the extended deadline



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If the extension is granted, Project Sponsors must follow up with their Grants Analyst to confirm the final status of the unit by no later than 1 business day after the new deadline.

After the deficiencies are addressed, a re-inspection should take place to confirm that the unit passes its NSPIRE inspection.

Project Sponsors must document all communications regarding NSPIRE inspections and the dates of each initial and additional NSPIRE inspection for each prospective unit.

Addressing Failed Inspections

If the unit fails inspection, Project Sponsors must address issues according to the signed lease and Rental Assistance Payment contracts. If the deficiencies identified were fixed within the timeframe offered earlier in this guidance, then assistance could resume and any deferred payments could be paid back to the landlord in question.

If the timeline in Table 1 was not met and there is not an approved extension on file, then Project Sponsors should stop administering HOPWA assistance for that unit, with no potential for retroactive payment. Project Sponsors should then follow steps outlined in their RAP to terminate the agreement with the landlord.

Eligible Expenses Associated with NSPIRE

Project Sponsors may bill staff time and costs associated with preparing for, scheduling, collecting, completing, and following up with landlords and assisted families about inspections. The line-item it goes to is based on the HOPWA budget line-item applicable to the client's housing assistance received. For example, staff time spent conducting NSPIRE inspections for TBRA should be claimed in the "Long-Term Rental Assistance" line-item.

If a unit fails inspection and the client household must relocate, Project Sponsors may use the "Housing Information Services" budget line-item to assist households in locating a new unit and "PHP" budget line-item for eligible expenses described in IHCDA's HOPWA Manual.

With regards to confirming compliance with the smoke and carbon monoxide requirements outlined in [FR-6469-N-01](#), staff time spent confirming the presence and functionality of smoke and carbon monoxide detectors/alarms should be claimed in the "STRMU" or "PHP" line-items, depending on the unit in question. Please note that currently, purchase of these materials is ineligible in the HOPWA program.

Any staff time spent updating policies and procedures must be claimed in the "Administration" line-item.

Supplemental Requirements

With the adaptation of NSPIRE, HOPWA Project Sponsors continue to be responsible for complying with Lead-Based Paint provisions in 24 CFR 35, as well as all other program requirements outlined in federal notices and regulation, state regulations and IHCDA's HOPWA manual. If Project Sponsors elect to use a third-party inspector for NSPIRE inspections, the HOPWA regulations on the confidentiality of client information ([24 CFR 574.440](#)) also apply.

This guidance applies to all HOPWA programs funded by IHCDA.



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