

Dear NAHMA Members,

Below, please find two updates regarding REAC physical inspections, including delays of physical inspections and carbon monoxide detection system requirements. For ongoing updates on changes to REAC, please visit NAHMA's "Emerging REAC Issues" webpage [here](#).

Thanks,  
Juliana

## 1. HUD provides guidance on limited delays for new REAC Inspection Timelines

Following HUD's [announcement](#) in February establishing an exact 14-day notice period for REAC inspections across the assisted portfolio, NAHMA shared strong concerns with the agency regarding the shortened inspection notification period. **These concerns included how the agency would handle certain scenarios out of the owner's control in which an inspection could not take place on the 14th day.** Specifically, NAHMA sent letters to both Congress and HUD with five [requests](#) regarding the 14-day notice period, including:

**"HUD should promote private owner participation in its assisted programs by implementing a forbearance policy in a limited number of documentable situations in which the property is held harmless for inspection scheduling non-compliance, such as natural disasters or major property rehabilitation."**

On March 21st, 2019, HUD sent a memo to field offices titled "[Approving the Delay of a Physical Inspection Beyond the New REAC Inspection Notification Timelines](#)." In the memo, HUD says that Asset Management Directors may approve a delay in an inspection, upon request, for the following circumstances:

- a) **Major Rehabilitation:** The HUD Field Office may only approve the delay of an inspection for major rehabilitation if the multifamily project owners and agent (POA) informed the Field Office of the rehabilitation before receiving notification of an inspection date. Major rehab/renovation = total cost of \$15000/per unit. HUD will not approve a delay after the owner receives a call or email notification to schedule an inspection date. HUD will not approve a delay for routine maintenance or localized rehabilitation. In cases where repairs or rehabilitation do not meet these criteria, the POA may submit a [Database Adjustment](#) (DBA) appeal prior to an inspection taking place or within 45-days of the release on an inspection report.
- b) **HUD Approved Repair Plan:** The project has a HUD approved repair plan as a result of prior score(s) below 60 and it covers the period during which HUD or an inspector are trying to schedule an inspection.
- c) **Presidential Disaster Declaration (PDD):** The project is located in an area/county covered by a PDD during the period an inspector is trying to schedule an inspection.
- d) **Other Emergency:** An emergency such as a fire or water damage occurred that was beyond the owner's control occurred that effects more than 30% of the units during the period an inspector or HUD is trying to schedule an inspection. In cases where the damage is restricted to units or buildings, the Field Office may approve that units or building(s) be taken offline so that the inspection may take place.

The field office must inform the owner of the approval or denial of an inspection delay request based on the criteria above. The approval/denial should be sent to the POA by email with a

copy to the Headquarters Mailbox. The email must state the reason for the delay and provide a date when the project will be ready for inspection. The POA should provide a copy of the approval email to an inspector or to HUD if they call to schedule an inspection during the period covered by the approved delay.

## 2. HUD to require carbon monoxide detectors

On March 25, 2019, HUD provided guidance to inspectors requiring the collection of data about the prevalence of CO detection systems in federally assisted and insured housing. According to the Notice, **“the presence or absence of a CO detection system is for data collection purposes only. The collection of this data does not affect a property’s inspection score.”**

Effective April 1, 2019, Inspector Notice No. 2019-01 titled **“[Carbon Monoxide Detection Systems Requirements](#)”** provided guidance to all UPCS inspectors who conduct physical inspections of HUD assisted and insured properties about performing a data collection process to determine the prevalence of Carbon Monoxide<sup>1</sup> (CO) detection systems at HUD properties subject to UPCS inspection under the Uniform Physical Condition Standards (UPCS) protocol.

Because CO is undetectable through sight, smell, sound, or touch, a device is required to determine the presence of high and dangerous concentrations of CO gas in a residence. The detectors are typically installed outside of sleeping areas in units with fuel-fired/burning appliance(s), and/or an attached garage, and installed in bedrooms that contain a fireplace or fuel-fired or burning appliance.

The Notice requires inspectors to collect data using the following procedures:

- a) Applicability:** UPCS Inspectors must first identify if a sample building with units contains any fuel-fired/burning appliance, and/or has an attached garage. Inspectors are only to evaluate attributes of the built environment, not tenant furnished items.
- b) Operability:** If a CO source is identified in a sample building or unit, the Inspector must evaluate each unit inspected for the presence of a CO detector. If a CO detector is present, the inspector must test it for operability.

CO poisoning remains a serious issue in housing across the nation. Each year, there are approximately 50,000 emergency hospital visits and more than 400 deaths due to CO poisoning, according to the Notice.

*Juliana Bilowich, Manager of Government Affairs  
National Affordable Housing Management Association  
400 N. Columbus St., Suite 203, Alexandria, VA 22314*

*Phone 703-683-8630, ext.116 Email [jbilowich@nahma.org](mailto:jbilowich@nahma.org), Website [www.nahma.org](http://www.nahma.org)*

*NAHMA is the leading voice for affordable housing management, advocating on behalf of multifamily property managers and owners whose mission is to provide quality affordable housing.*