

### **Things you should know about the rehab inspection process, under the NSP program....**

The specific language in the guidelines states that “A foreclosed upon home or residential property *shall be rehabilitated to the extent necessary to assure **safety, quality and habitability***”. A thorough assessment of all properties is required and must encompass all major building components, followed by a description of the work necessary to bring any deficiencies up to that level.

This will be accomplished with a combination of inspection efforts. First will be a standard home inspection that will include a pest and dry rot report. The second will be another inspection conducted by the administrators of the NSP program that will utilize the HQS as a minimum standard, take into account title 29 issues as they relate to health and safety, as well as some limited inspection of lead based paint in pre-78 properties that will house children under the age of six. They will also review the provided home inspection and incorporate any findings or determinations in their final scope as/if needed. A site specific review is also a requirement of the program.

Items identified as hazard or problem areas must be addressed first and prior to occupancy. Some purchasers may have additional renovation funds above the amounts to remedy any required items, in which case general property improvements such as painting, cabinet and flooring replacements, green building improvements, etc... which are permanent to the property and meet the requirements of “durable fit and finish with reasonable cost expectations”, would be allowable. All work, both required and general improvements must be performed in compliance with applicable laws, codes and other requirements relating to housing safety, quality and habitability with all permit worthy work being done to code under permits that are to be inspected and obtain final approval from the inspection authority.

There is the possibility that some of the required work may be done if a buyer /owner can provide the time, skill and ability to do so and provides the material cost estimates. Also keep in mind that (1) it needs to be approved in advance and (2) cannot impede timely project completion or occupancy or (3) impeded or delay any contracted work or (4) stand in the way of compliance with any applicable deadlines. Some buyer/owners choose to do some of their own work to save some money on labor and develop some ‘sweat equity’, as we can reimburse for materials ONLY, not labor. However, the majority of the scope of work will need to be contracted for through licensed, bonded, insured contractors. The scope will need to be bid on with at least two bids that are cost reasonable. It’s a good idea to have a couple of contractors in mind, check out their licenses and references in advance, and be ready to call them out to bid a.s.a.p. after receiving the rehab scope of work.

Items most owners can easily be approved to take care of on their own would be most painting work, replacing smoke detectors, light bulbs, outlet and switch covers, un-sticking windows, weatherizing doors, some insulation work, vapor barrier install, caulking, replacing washers and filters, sealing, changing out locks, cleaning gutters, yard and house clean up / debris removal, some landscaping work. Some owners have a background, skill and experience level that can allow them to do a bit more, like tile or laminate flooring install or floor refinishing, trim work, window sash or door replacements and the like. Funds can only be material reimbursements to an owner or a party licensed to do the work they’ve contracted to do, who has successfully completed the work/contract.

**So what’s the inspection process and HQS mean?** Most likely more than you care to know. But here’s an attempt at a synopsis of what these inspections entail. This is basic, general information only, being provided in the hopes that it might provide a prospective homeowner with some idea of what to be watchful for, while out looking for a home to purchase. The HQS inspection, in particular, tends to call out and fail on some items and findings that seem very minor to us, while passing on some other items we find of major concern. So we want to make an attempt to give an over view of what will be looked at and potentially identified on the scope of required rehab.

**NOTE:** *Main system or component deficiencies* may encompass any or all of the following (and then some): roof, chimney, smoke detectors, gutters, siding, windows, doors, locks, insulation, paint, pests, accumulations of refuse/debris, ceiling, floor, wall, storage, hard surfaces, structure, heating, electrical, plumbing, appliances and fixtures.

**Questions to consider:**

- Are there signs the roof, gutters or plumbing is leaking?
- Are there other signs of moisture problems or pests?
- Do there appear to be proper moisture protections, ventilation and insulation?
- Is there adequate hot and cold running water with safe hazard free equipment and proper location?
- Seem to be adequate and operable sewer and water service lines?
- Are there significant cracks, missing mortar, concrete, lifting to chimney(s), walks, driveways, basements, foundations?
- Are smoke detectors present /operable? Heat, cooking and refrigeration are habitability requirements.
- Are there permanent, suitable and operational devices for that?
- How old are they and how long since they've been serviced?
- Are there (or have there been) underground oil tanks?
- Are they in good maintain and condition if in use or properly decommissioned if no longer in service?
- Do windows and doors keep weather out, open, close and lock?
- Do you have children under the age of 6 that routinely visit or will occupy the property?
- Are paint and other sealants (like floor protections, caulking, etc...) deteriorated, missing or failing?
- Might they contain asbestos or lead (pre 78 constructed)?
- Are there adequate facilities to store, prepare and serve food?
- Are floor, counter and bath surround surfaces smooth, cleanable, water impervious and secure?
- Are ceilings and walls intact without hazardous defects?
- Are there adequate, operable, permanent cleaning and lavatory facilities?
- Are stairs, landings, decks, etc... free from hazards with proper railings and components?
- Are there missing, broken or defective fixtures or components of fixtures (ie... plumbing and electrical)?
- Are there any signs of improper, inadequate or hazardous wiring issues?
- Other safety concerns apparent like access to and from unit or rooms, trip hazards, component failures, sharp edges (like broken glass, tile, etc...).

**Other items to note:** Site and neighborhood conditions. Portland maps can provide some statistical data about crime in particular areas, as well as possible historical significance, permit/code issues, underground tanks. <http://www.portlandmaps.com> There's also info available online in regards to area school districts, access to libraries, parks and local services. We also recommend you watch for visuals like vacant, dilapidated buildings close by, pending development plans in the area, evidence of flooding or land settlement, property unprotected from heights, cliffs, water bodies, major traffic byways etc...

**For licensed contractor information:** Construction Contractors Board  
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