



Questions and Answers about Your Physical Condition Rating

Why is the Agency inspecting our property?

Every year the Agency determines the risk rating of each of our clients. One element that contributes to your co-op's composite risk rating is a physical-condition rating. (For more information, please see our [Q and A on Risk Rating](#).) We base your co-op's physical-condition rating on a visual inspection of your property, which is done at the Agency's expense.

How do we know when the inspection will take place?

We tell you early in the spring if your co-op is due to be inspected. Next—usually within six weeks—the inspector calls your co-op's main contact to set a date for the inspection. Then, a week before the scheduled date, the inspector calls again to confirm that the inspection will go ahead as planned.

Who will inspect our co-op?

The Agency has signed a contract with a professional inspection firm and trained the inspectors in the use of our inspection form.

What does an inspection involve?

The inspector meets with a co-op representative at the scheduled time and presents a letter of introduction. They perform a visual inspection of the co-op grounds, building exteriors, common and service areas and any vacant units. If your co-op's property includes more than one building, the inspector looks at a maximum sample of four, chosen at random by the Agency.

How can our co-operative prepare for our inspection?

You can ensure that your inspector has all the information needed by completing an on-line questionnaire about your property. This will save time during the inspection itself. It is important to fill in the questionnaire as early as possible.

Please make sure the questionnaire is completed by the person who knows most about your property. Filling it out well in advance means that this expert need not be the person who accompanies the inspector.

Where do I find the questionnaire?

The Agency sends each co-operative a unique link by e-mail or mail. This will take your representative directly to your co-op's questionnaire on our client website.

Copy or click on the link and then log in with your co-op's Agency username and password. If your co-op wants a new username and password for any reason, please have your co-op's main contact send the request to your relationship manager.

What if our co-op doesn't have access to the Internet?

The Agency will still inspect your co-operative. However, we ask that you make sure the inspector is accompanied by someone who knows about your co-op's maintenance and capital-replacement activities.

If your co-op has no Internet account, you may still be able to use our on-line questionnaire to save time for your co-op. Please think about asking for the help of a trusted member with Internet access or using the computer in a library to complete the questionnaire.

What information does the questionnaire ask for?

The questionnaire is largely set up to ask yes/no questions, with space to explain your answer.

We ask you to confirm the number of buildings under federal programs in your co-op, the number of units and whether any are vacant.

The questionnaire asks about common facilities, such as a laundry room, and about any work you have recently done on the property or are planning to do. We also ask you for details about your replacement reserve and preventive maintenance plan, technical reports and the maintenance contracts you have in place for your grounds or building systems.

The last question is an open-ended invitation to describe any concerns or make any comments you wish about your property.

Does the inspector tell us anything about our property at the time of the inspection?

During the inspection, an inspector will note any health or safety concerns. They will give the co-op notice of them in writing before leaving the property.

If your co-op has any health or safety issues, you are expected to correct them as soon as possible. If you are not sure what to do, please call your relationship manager at the Agency.

What happens after the inspection?

The inspection firm checks the quality of the inspection report to ensure it meets professional standards. Next, the report goes to the Agency's Manager, Technical Services for review. After this, the inspector enters it into our information system.

Your report is then reviewed by your co-op's relationship manager, who may question results that do not reflect what they already know about your co-op.

When we are satisfied with the report, the Agency sends the final version, including the physical-condition rating, to your co-op. If you know your property well, the Agency's physical-condition report should confirm information you already have.

Can we use the report to plan our co-op's capital replacement?

The Agency's physical-condition report is not intended to replace the thorough building condition assessment that forms the basis of your capital reserve plan. A building condition assessment and the capital reserve plan based on it are investments that every co-op should make and keep up to date. In fact, your co-op needs an up-to-date building condition assessment to be considered Low risk.

What do the ratings mean?

A co-op can earn one of four physical-condition ratings. These are Excellent, Good, Fair and Poor. Your rating is the roll-up of the individual ratings for your co-op's various components and systems.

Each system and structure is rated based on its condition and remaining useful life. (For example, the inspector may note that a roof rated Fair has two more years of useful life.) The inspection form also identifies where your property needs maintenance of some kind. If you would like to know more about your rating, please check with your relationship manager.

Can we improve our rating?

A capital replacement or maintenance project could earn your co-op a better rating. Some co-ops would benefit from something as simple as repainting their public areas.

It is important to keep the Agency informed about work you are undertaking to improve your property. If you have ideas for capital projects, please feel free to discuss them with your relationship manager.

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