

April 23, 2026

**TO:** AHFC Authorized Inspectors, Authorized Energy Raters, and Other Related Parties

**FROM:** Jimmy Ord, Director of the Research and Rural Development Department at Alaska Housing Finance Corporation (AHFC)

**SUBJECT:** Adherence to AHFC Minimum Construction Standards

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This memorandum intends to clarify sections of AHFC's Minimum Construction Standards related to the construction of building wall assemblies and reiterate AHFC Authorized Inspector responsibilities.

Pursuant to Alaska Statute (AS) 18.56.300, all residential housing constructed on or after July 1, 1992, must undergo an approved inspection process to maintain eligibility for AHFC financing. AHFC Authorized Inspectors must verify compliance with the 2018 International Residential Code (IRC) and the AHFC Alaska-Specific Amendments, and applicable state mechanical, plumbing, and electrical codes, which together constitute the AHFC Minimum Construction Standards.

Recent structural assessments have highlighted failures in the application of building standards, specifically regarding building wall assemblies. It is imperative that all buildings are constructed to AHFC's Minimum Construction Standards and AHFC Authorized Inspectors ensure the building is constructed in compliance with AHFC's Minimum Construction Standards, specifically the following code sections of the 2018 International Residential Code:

- **R703.1.1 Water resistance:** The exterior wall envelope must be designed and constructed to prevent water accumulation within the wall assembly by providing a water-resistive barrier (WRB) behind the exterior cladding. Per Section R703.1.1 Exception 2, a water-resistive barrier is not required for an exterior wall envelope that has been demonstrated to resist wind-driven rain through testing in accordance with ASTM E331 under the specific conditions prescribed by the code. In other words, the absence of a WRB is only applicable if the exterior wall envelope is in accordance with the ASTM E331 conditions or over properly designed and flashed concrete or masonry walls per Exception 1.
- **R703.2 Water-resistive barrier:** One layer of No. 15 asphalt felt, free from holes and breaks, complying with ASTM D226 for Type 1 felt or other approved water-resistive barrier shall be applied over studs or sheathing to all exterior walls. No. 15 asphalt felt shall be applied horizontally, with the upper layer lapped over the lower layer not less than 2 inches (51 mm). Where joints occur, felt shall be lapped not less than 6 inches (151 mm). Other approved materials shall be installed in accordance with the water-resistive barrier manufacturer's installation instructions. The No. 15 asphalt felt or other approved water-resistive barrier material shall be continuous to the top of walls and



terminated at penetrations and building appendages in a manner to meet the requirements of the exterior wall envelope as described in Section R703.1.

- R703.4 Flashing: Approved corrosion-resistant flashing must be applied shingle-fashion in a manner to prevent the entry of water into the wall cavity or structural framing... Reference R703.4 for a detailed list of locations requiring corrosion-resistant flashing.
- Sealants and wall penetrations: All wall penetrations, including duct hoods and vents, must be properly sealed or gasketed. Reliance on sealants alone is insufficient where the code requires mechanical flashing.

AHFC Authorized Inspectors must not certify compliance for building construction that deviates from these mandatory standards. Please be advised of the following conditions of the AHFC Authorized Inspector authorization:

1. Indemnification: AHFC Authorized Inspectors are required to indemnify, hold harmless, and defend AHFC and the State from all liability and claims resulting from damages arising from any error, omission, or negligent act during the performance of their inspections.
2. Disciplinary Action: Failure to inadequately perform the duties of an AHFC Authorized Inspector or meet the terms of the Inspector Application constitutes grounds for disciplinary action, suspension, or termination of status as an AHFC Authorized Inspector.

The integrity of a building's construction and AHFC's inspection process is vital to ensuring the safety and longevity of Alaskan housing. The absence of a WRB, proper flashing, and appropriate wall penetration sealants leaves the structure vulnerable to moisture intrusion and subsequent degradation. AHFC expects that buildings are constructed to the AHFC Minimum Construction Standard and AHFC Authorized Inspectors not approve substandard construction practices during any phase of the inspection process.

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