

Certificate of Occupancy

Bear Creek Township Building Department.

A certificate of Occupancy, C of O, or Occupancy permit, no matter what you call it, is required to be issued on all new buildings, prior to the occupancy of the building. Many financial institutions, title companies, Realtors, and insurance companies, are now requesting a copy of the certificate of occupancy, prior to the closing of a construction loan or a real estate deal. By requiring a copy of the certificate, the above-mentioned businesses can be assured that the building has been inspected, meets the code requirements for construction, and has been completed to a point where the building can be safely occupied.

While there are many reasons for a certificate of occupancy to be issued, the main reason for a Building Department to do so is the State Building Code requires that a certificate of occupancy be issued on all construction projects. Section R 110 of the 2003 Michigan Residential Code (MRC) states:

“a building or structure shall not be used or occupied, and that a change in the existing occupancy classification of a building or structure or portion thereof shall not be made until a certificate of occupancy has been issued, in accordance with section 13 of 1972 PS 230, MCL 125.1513.”

When a certificate of occupancy is issued, it will contain the following information,

1. the building permit number
2. the address of the structure
3. the name and address of the owner
4. a description of the structure or the work for which the certificate is issued.
5. A statement that the described work has been completed and inspected for code compliance.
6. The name of the inspector, or code official
7. The edition of the code being enforced under which the permit was issued.
8. If the structure is provided with an automatic sprinkler system
9. Any special stipulations and conditions of the building permit or final approval.

Here in Bear Creek Township, as with many jurisdictions, the certificate also contains the approvals of all subtrade inspectors, as well as zoning and Fire Department if required. The certificate of occupancy is not issued until all required approvals have been given and the required signatures have been applied to the certificate of occupancy. When completed, the certificate of occupancy is then issued to the building owner.

There are times when a project may not be totally completed, yet a building or structure may need to be occupied. In such cases, the building official is authorized to issue a temporary certificate of occupancy, provided that the building or structure has been completed to a point that it is livable and can be safely occupied. A temporary certificate of occupancy is typically issued for a limited time, such a 30-day period, with the permanent certificate of occupancy issued after all work has been completed and approved.

While not often done, a certificate of occupancy can be revoked. The building official must inform the owner, in writing, that the certificate of occupancy will be revoked and why. Reasons for revoking a certificate of occupancy can include the certificate being issued in error, incorrect information being provided to the building dept. regarding the structure or where it may be determined that the building, or part of the building is in violation of the building code being enforced at the time of construction.

The certificate of occupancy provides the building owner with documentation showing code compliance, and approval of all required permits for a construction project. This documentation can be used as proof of inspections and approval for financial businesses such as banks and credit unions, title companies, real estate offices and insurance companies, that a building owner may deal with. Most importantly though, it is the final phase of the permit process, a phase that should not be overlooked State law and the building code require final approval of all construction prior to occupancy, and the certification of occupancy shows that all final approvals have been given. As always, should you have questions regarding a certificate of occupancy, or any code issues, contact your local building inspection dept.