

RECOMMENDED SEQUENCE OF EVENTS FOR NSP ACQUISITION AND REHABILITATION

	Direct Grantee	Subrecipient (on behalf of grantee)	Private Developer (for-profit, non-profit)	Individual: Homeowner-Occupant
A. BEFORE grant award				
PRE-AWARD	May initiate activities before grant award by meeting all requirements and 570.200(h)	May initiate action only with explicit approval of grantee and in compliance with all requirements in Section B.		No action advisable prior to grantee’s receipt of funds.
B. AFTER grant award (No required sequence but MUST precede funds obligation)				
AGREEMENTS	Internal agreements not required for any department under the grantee’s jurisdiction.	Receive approval from grantee with agreement on who does what, when, how.		Apply to grantee or subrecipient to qualify based on income and other requirements. Receive preliminary approval to participate in NSP Program.
		If permitted in agreement, subrecipient may incur administrative costs.	Developers MAY NOT incur administrative costs, but may charge fees and earn profits.	
PROPERTIES	Locate one or more foreclosed, abandoned, or vacant properties in the areas of greatest need to acquire for the NSP. Ensure property qualifies, by location, type, condition, etc.			Find eligible property, in collaboration with NSP grantee or other party.
PRE-ACQUISITION REQUIREMENTS	Environmental review MUST be completed before committing funds. Only grantee can certify review & request release of funds	Work with grantee to understand what must be done and ensure no commitment of funds (choice-limiting action) before release of funds. Grantee alone can certify and request release of funds.		Not Applicable No role for Individual
1. Environmental				
2. Appraisal	Order URA-compliant Appraisal if foreclosed property or if sale not voluntary. Sale is not voluntary when potential exists for eminent domain if agreement cannot be reached.			Grantee will inform if Individual is required to obtain appraisal.
3. Uniform Relocation Act	Determine other URA applicability (e.g. relocation). American Recovery and Reinvestment Act places added restrictions on acquiring properties with tenants.			Not Applicable
4. Purchase Discount	Negotiate purchase discount with seller-servicer <i>if foreclosed</i> .	Consult with grantee on process for purchase price discount with seller-servicer; only applies <i>if property is foreclosed upon</i> .		
C. Purchase and Post-Purchase Phase				
ELIGIBILITY ATTAINED	After this point, the property has eligibly been acquired. It retains this status through any subsequent sales or transfers, such as directly to an eligible end user, or to another entity for rehabilitation and later sale to an eligible end user (LMMI family).			
REHABILITATION AND FINANCING OPTIONS	If the home is in need of repair and/or financial subsidy to make it affordable to LMMI, there are different options based on the type of property (foreclosed, vacant, etc.) and which NSP Eligible Use the grantee has employed. See the NSP Policy Guidance page for more detailed discussion of Eligible Uses (and property types) and Homeownership Assistance.			
INELIGIBLE PURCHASES	If a participant has acquired a property BEFORE meeting all the requirements above, the home is generally considered ineligible because it is no longer “foreclosed or abandoned”. However, some NSP assistance may still be possible; see Attachment for discussion.			