MEMORANDUM

DATE: November 30, 2016

TO: BEP Participants

FROM: Cynthia Peraza, Director of Special Programs

SUBJECT: New BEP Flow Chart

Effective December 1, 2016, the process for the BEP loan reviews will change. The new process will allow THDA staff to review the property’s title before requiring further work from the BEP Participant. This new process was tested on files that were received in the month of November and it proved to be beneficial for all parties involved.

Below is the new BEP Flow Chart that illustrates how THDA staff will review and process loans upon arrival.

A larger copy of the flow chart will be available on the THDA website under: https://thda.org/business-partners/bep. Please email any questions regarding these changes to BEP@thda.org.
BEP Property

- Existing Inventory or Donated Property
- Purchase of Blighted Residential Structure
- Purchase of Tax Sale from County Assessor or Land Bank

**BEP Loan Submission**

- Approval via email/BEP Process sheet will be provided as well

**Pre-Underwriting Review**

- Property Inspection Checklist, Location of home, etc.

**Loan Disbursements:**
- 1st draw for purchase of property (if necessary), fund title & recorded fees
- 2nd draw for 50% of demolition and any inspection fees
- 3rd draw for second half of demolition cost & post-demo inspection fees
- 4th draw for maintenance cost (if applicable) and Administrative fee
- 5th draw available for abatement or other unexpected costs.

**Conditional Approval**

- Stage 1 Closing will be scheduled by title company

**Conditional Approval**

- Underwriting Review of Conditions

**Loan Disbursement**

- THDA Funds
- Treasury Funds

- Stage 1 Closing will be scheduled by title company
- Stage 2 Closing will be scheduled by title company

- Green Space
- Affordable Housing

**Access for Loan Submission**

- Participants will receive login access to THDA's EDT Folder upon approval via email/BEP Process sheet will be provided as well

**Clear Title:** the loan will be conditionally approved

**Unclear Title:** the loan will be denied

**Loan Denied**