

REQUEST FOR PROPOSAL

**MASTER SERVICER FOR
SINGLE FAMILY MORTGAGE LENDING PROGRAM**



RESPONSES DUE:

Friday, January 20, 2023 by 5:00 P.M. CST

Section I: Introductory Information

Missouri Housing Development Commission: The Missouri Housing Development Commission (“MHDC” or the “Commission”) was established in 1969 in order to increase the availability of decent, safe and sanitary housing at prices within the means of low and moderate-income persons. The Commission is a governmental instrumentality of the state of Missouri and a body corporate and politic. The Commission’s authority is derived from Section 215.030, *et seq.*, of the Revised Statutes of Missouri, as amended and supplemented.

Purpose of RFP: The purpose of this Request for Proposal (“RFP”) is to obtain proposals from qualified companies to be a master servicer for the Commission’s single-family mortgage lending programs.

Term of Engagement: It is anticipated that the selected firm or firms will be retained by the Commission for a period of three years with one additional two-year extension period at the option of the Commission, for a total of up to five years.

Proposal Due Date: Proposals must be received by MHDC by
Friday, January 20, 2023 by 5:00 P.M. Central time

Submission of Proposal: The Proposal must be submitted in a readable electronic format. The Proposal must be submitted via email to steve.whitson@mhdc.com and must contain a subject line of “MASTER SERVICER RESPONSE”. The main body of the Proposal must be submitted in a PDF format, however any numerical calculations or analysis may be submitted in an Excel format. No other format is acceptable. Neither faxed nor hard paper copies will be accepted or evaluated

Anticipated Timetable for RFP and Proposals	Release RFP	December 12, 2022
	Proposals Due	January 20, 2023
	Evaluation Committee Recommendation	January-March, 2023
	Final Selection	Spring 2023

Section II: Procedures and Instructions

- Questions:** Questions regarding this RFP must be submitted in writing via email sent to steve.whitson@mhdc.com by December 30, 2022 5:00 pm CST. In the interest of transparency, all questions must be submitted in writing. All questions and answers will be made available on MHDC's website by January 9, 2023 5:00 pm CST.
- Standards of Conduct:** Please refer to the Commission's "Standards of Conduct" Policy for information regarding contact with MHDC commissioners or staff in connection with this RFP, necessary disclosures thereunder and other policies regulating the actions of interested parties, employees, commissioners, former employees, and former commissioners during a competitive matter. The Commission's Standards of Conduct Policy is available on MHDC's website at www.mhdc.com. Furthermore, pursuant to the Standards of Conduct, any Response under this RFP shall disclose the name of the individual, entity and/or entities having ownership interests in the Respondent. All entities identified in this disclosure shall be reduced to their human being level irrespective of the number of entity layers that may be present for any disclosed entity. If the respondent to this RFP is a publicly held corporation the disclosure under this section shall include the names of the respondent's board of directors, its chief executive officer, chief financial officer, chief operating officer and any individual participating in the preparation of the application vis-à-vis this RFP. Questions regarding this requirement may be directed to the Commission's General Counsel, Anne Powell, by phone at 314-877-1373 or email at apowell@mhdc.com.
- Modifications to Proposals:** A respondent may not modify its Proposal any time after the Proposal Due Date, except in direct response to a request from the Commission for clarification.
- Revisions to this RFP:** If it becomes necessary to revise any part of this RFP, the Commission will provide an addendum to each firm responding to or receiving this RFP. Any additional information required to clarify portions of this RFP will be issued in the form of an addendum or otherwise made available on MHDC's website.
- Expense of Preparation:** The Commission is not responsible for any expense incurred in preparing and submitting a Proposal or taking any action in connection with the process, or for the costs of any services performed in connection with Submission of a Proposal.

Public Records: Firms responding to this RFP should be aware that the Proposals are public records in accordance with state law after the evaluation and selection process has been completed.

Reservation of Rights: The Commission reserves the right to conduct any investigation of the qualifications of any firm that it deems appropriate, negotiate modifications to any of the items proposed in the Proposal, request additional information from any firm, reject any or all Proposals, and waive any irregularities in any Proposal. **The Commission retains the right to negotiate the payment amounts for servicing rights for its master servicer(s).** The engagement described in this RFP is not necessarily exclusive and MHDC expressly retains the right at any time to retain any other firm to provide the services described herein and to terminate any firm's position as master servicer at any time without violating the engagement contemplated by this RFP. At the Commission's sole discretion, the selection of a proposal by the Commission may be cancelled at any time prior to the complete execution of a contract or agreement. If the Commission cancels its selection of a proposal, the Commission may repost this or a similar RFP and re-seek proposals.

Visits and Interviews: All firms responding to this RFP must be prepared to schedule a visit to their offices or to another location upon request by the Commission. In addition, firms responding to this RFP may be interviewed at MHDC's offices as a part of the selection process.

Section III: Scope of Services

The Commission is seeking proposals for servicing of up to five years' production of single-family mortgage loans (the "Mortgage Loans") proposed to be originated under its Single Family Homeownership Program, commencing with the effective date of the master servicer agreement. The Mortgage Loans are originated by multiple participating lenders and sold to a Master Servicer. The Program will include Mortgage Loans that will be FHA-insured, VA guaranteed, RD guaranteed or Conventional mortgage loans. Conventional loans may include loans originated pursuant to available Fannie Mae ("Fannie Mae") or Federal Home Loan Mortgage Corporation ("Freddie Mac") programs. Funding for the Mortgage Loans may include proceeds of one or more tax-exempt bond issues, taxable bonds, and direct sales of mortgage backed securities through the Conventional and TBA markets. In addition, some Mortgage Loan borrowers may receive Mortgage Credit Certificates ("MCCs") through the Commission. Under the Master Servicer Agreement (the "Servicing Agreement"), the Master Servicer(s) will be required to (i) purchase eligible Mortgage Loans from participating lenders promptly as Mortgage Loans become available for purchase, (ii) pool loans as directed by the Commission and its representatives and assign the FHA, VA and RD Mortgage Loans to the Government National Mortgage Association ("GNMA") under the terms of its GNMA Guaranty Agreement and issue its GNMA Certificates (in the form of GNMA I or GNMA II securities) backed by the FHA, VA or RD Mortgage Loans for sale to the Commission's bond trustee or custodian (the "Trustee"), (iii) pool and swap the Conventional Mortgage Loans for Fannie Mae or Freddie Mac mortgage backed securities in accordance with the requirements of Fannie Mae or Freddie Mac, as applicable, and (iv) deliver the mortgage backed

securities to the Trustee on behalf of the Commission on a timetable acceptable to the Commission. Risk of loss on Mortgage Loans backing any mortgage-backed securities will remain with the Master Servicer. The Mortgage Loans to be purchased by the Master Servicer are anticipated to be originated and pooled to form mortgage-backed securities during the term of the Servicing Agreement; however, the Commission may extend the period for delivery, as may be necessary and appropriate to accommodate any remaining proceeds from one or more outstanding series of bonds in progress, or similar programmatic funding available (such as a TBA funding agreement), as of the termination date of the Servicing Agreement.

The Commission is targeting funding approximately \$300 million of Mortgage Loans in each year. Certain factors outside of the Commission's control, including viability of hedging strategies for direct sales of mortgage-backed securities, viability of tax-exempt bonds as a cost efficient funding source, availability of allocation of tax-exempt volume cap, market demand for mortgage loans by eligible homebuyers and competing loan products, may impact the Commission's ability to achieve its objectives. Mortgage Loan volume each year during the term of the Master Servicer selected pursuant to the RFP may be higher or lower than the targeted amount and the Master Servicer must be in a position to accommodate volume levels much lower and much higher than \$300 million. For the past three years MHDC has securitized the following amounts of Mortgage Loans, and anticipates securitizing the amount below in Fiscal Year 2023:

<u>Fiscal Year</u>	<u>Number and Dollar Amount of Loans Issued</u>
2020	2,603 loans for \$345,473,074
2021	1,474 loans for \$220,144,134
2022	1,656 loans for \$268,284,623
2023	Projected 1,775 loans for \$280,000,000

In order to implement the above program, each Master Servicer will be expected to:

- (1) Assign experienced staff immediately upon proposal acceptance to review final program terms and all program documents (including negotiating the terms of a Servicing Agreement satisfying the terms and conditions set forth in this RFP), suggesting revisions to program documents to further the objectives of MHDC and the lending program, subject to approval by MHDC, as necessary.
- (2) Conduct with MHDC staff regional lender meetings at which the underwriting guidelines and program procedures will be explained to participating Lenders.
- (3) Review Mortgage Loan documents within five (5) business days of receipt for conformity with the requirements of the origination agreement and the related program notice.
- (4) Purchase and fund (as soon as possible but not later than 10 business days following receipt) Mortgage Loans daily from participating lenders upon delivery of such Mortgage Loans and the required documentation by participating lenders.
- (5) Pool mortgages as instructed by the Commission and its representatives and issue mortgage backed securities as soon as reasonably possible as minimum pool sizes acceptable to the Commission are achieved.
- (6) Accept assignments of mortgages utilizing the MERS system, if so requested.
- (7) Deliver GNMA certificates, Fannie Mae mortgage-backed securities and Freddie Mac mortgage

backed securities immediately upon issuance and deliver the mortgage-backed securities to the Trustee on behalf of the Commission or as otherwise directed by the Commission on a schedule acceptable to the Commission. The price paid for the GNMA certificates, Fannie Mae mortgage backed securities and Freddie Mac mortgage backed securities, including any premium amounts related to down payment and closing cost assistance, shall be computed based upon the outstanding principal amount of such certificates and securities at the time of delivery.

- (8) Consult with and advise the Commission, lenders and the Trustee concerning technical questions that may arise with respect to the Mortgage Loans, GNMA Certificates, Fannie Mae mortgage-backed securities or Freddie Mac mortgage backed securities.
- (9) Purchase and pool Mortgage Loans originated in target areas under MHDC's continuous origination program into mortgage backed securities and transfer these to MHDC through the Trustee. In place of Targeted Area Set-Asides, Mortgage Loans will be continuously originated in Federally Targeted Census Tracts, up to an amount equal to 20% of the new funds of each tax-exempt bond issue.
- (10) Service loans in accordance with VA, FHA or RD and GNMA and Fannie Mae or Freddie Mac requirements, as applicable.
- (11) Render to the Commission, Trustee, participating lenders or others, as appropriate, such certifications as shall be required from time to time pursuant to the Program documents to assure compliance with Program guidelines.
- (12) Require repurchase of any non-conforming loans by the applicable originating lender.
- (13) Provide a list of all documentation and samples of all forms that shall be required to be provided by lenders.
- (14) Service all second mortgages established in connection with the first mortgage loans for which your company serves as Master Servicer under the same terms and conditions as the first mortgage loans at no additional cost, charge or fee.

Section IV: Structure of Proposal

- A. The Commission desires to consider Proposals in a consistent and easily comparable format as established in this RFP. Proposals not organized as set forth in this RFP may, at the Commission's discretion, be considered unresponsive. Do not refer to other parts of your Proposal in lieu of answering a specific question. Do not provide references to filings or forms publicly available, including on the firm's website, in lieu of providing specific information in the Proposal.
- B. Each Proposal shall include a transmittal letter signed by an authorized representative of the firm. In the transmittal letter the firm shall certify (i) that no elected or appointed official or employee of the Commission is financially interested, directly or indirectly, in the performance of the services specified in the RFP, consistent with the Commission's Standards of Conduct Policy and applicable laws and regulations (ii) that the information included in the Proposal is true and correct to the best of its knowledge and (iii) that the person signing the transmittal letter is authorized to execute the Proposal on behalf of the firm.

- C. Proposals should be organized in the same manner as the individual information request contained in **Section VII: Proposal Details**. Responses to each lettered question shall begin on a separate page (e.g., answers to Question B should begin on a separate page from the response to Question A).
- D. Exhibits containing additional information may be attached to provide a more detailed response to a question, but only if clearly identifiable as a response to a specific question.

Section V: Evaluation Criteria

The criteria to be used in evaluating the Proposals will include, but are not limited to, the following:

- (1) Relevant experience, including providing similar services to state and local housing finance authorities or other large commercial clients.
- (2) The firm's ability and willingness to provide the services desired by the Commission and demonstrated understanding of the requirements of the Commission.
- (3) The firm's capacity to perform the services described under Scope of Services above in a prompt, responsive manner with excellent quality of work product.
- (4) The Commission's prior experiences, if any, with the firm and any other factors the Commission believes would be in its best interest to consider.
- (5) Financial capacity of the firm to reliably provide the above Scope of Services.
- (6) Proposed payment amounts for servicing rights.
- (7) Special strengths or capabilities of the firm, minority and women participation, (including through employment or participation with a minority or woman-owned firms) and any other special services or assistance helpful to MHDC in financing or administering its homeownership lending program initiatives.
- (8) Economic Impact to Missouri. The Respondent must provide information and data concerning the economic impact of any contract entered into pursuant to this RFP. At minimum, the Respondent must provide: a) a description of proposed services that will be performed and/or the proposed products that will be provided by Missourians; b) a description of the economic impact returned to the State of Missouri through tax revenue obligations and otherwise; and c) a description of the Respondent's economic presence within the State of Missouri, including Missouri employee statistics.

In addition, conflicts of interest, related regulatory proceedings and litigation involving the firm will be taken into account, depending upon the nature and significance of the proceedings.

Section VI: Eligibility Requirements

- A. Each firm must meet the following threshold requirements to be considered eligible to serve as master servicer to the Commission:
- (1) Be engaged in the business of servicing residential mortgage loans and qualified to do business in the State of Missouri.
 - (2) Enter into (i) the Lender Origination Agreement, unless your company will not serve MHDC as an Originator, which should be explained, and (ii) the Servicing Agreement with MHDC and agreed and accepted by the trustee.
 - (3) Be (i) an FHA-approved, VA-approved and RD-approved mortgagee, a GNMA approved issuer and Servicer of GNMA Certificates for FHA-insured, VA-guaranteed and RD-guaranteed mortgages, and (ii) a Fannie Mae-approved seller-servicer eligible to pool and service Fannie Mae mortgage backed securities for Conventional Mortgage Loans and/or (iii) a Freddie Mac-approved seller-servicer eligible to pool and service Freddie Mac mortgage backed securities for Conventional Mortgage Loans and meet all requirements of applicable laws so as to be eligible to originate, purchase, hold and service FHA-insured, VA-guaranteed and RD-guaranteed mortgages and Conventional Mortgage Loans.
 - (4) Agree to accept and approve all otherwise eligible Mortgage Loans with FICO Scores of 620 or above, and with a back-end ratio (Debt Payment Requirement to Gross Income ratio) of 45% or lower, or such other credit score requirements as mutually agreed in writing.
 - (5) The respondent must comply with all applicable employment laws.
 - (6) Have a current Community Reinvestment Act (CRA) rating of “satisfactory” or better, if applicable.
 - (7) Pursuant to *Mo. Rev. Stat. §285.530.2*, firm(s) selected pursuant to this RFP shall provide MHDC with an affidavit stating that the firm does not employ any person who is an unauthorized alien in conjunction with the contracted services, and that the firm is enrolled in and participating in a federal work authorization program with respect to the employees working in connection with the contracted services. Prior to execution of any agreement contemplated herein, the firm shall provide evidence of participation in a federal work authorization program. Questions regarding this requirement may be directed to the Commission’s General Counsel, Anne Powell, by phone at 314-877-1373 or email at apowell@mhdc.com. **In your proposal, please indicate whether your firm is currently enrolled in and participating in a federal work authorization program such as E-Verify.**
 - (8) Pursuant to *Mo. Rev. Stat. §34.600*, MHDC shall not enter into a contract with any firm that boycotts Israel. In your proposal, state whether your firm is or is not currently engaged in a boycott of (i) goods or services from the State of Israel; (ii) companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel; or (iii) persons or entities doing business in the State of Israel. “Boycott” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize,

inflict economic harm on, or limit commercial relations, but does not include an action made for ordinary business purposes.

- (9) Agree to provide certain periodic reports to MHDC in addition to reports normally supplied pursuant to the GNMA I Guide, GNMA II Guide, and pursuant to the standards of Fannie Mae and Freddie Mac, as applicable. These periodic reports will include monthly reports on prepayments, foreclosures and delinquencies in the format requested by the Commission.

Maintain a credit facility or other sources of liquidity available to warehouse mortgage loans for a period of up to six (6) months from their date of purchase from the originating lender(s) until such loans are pooled to form mortgage-backed securities for purchase by the Trustee. In addition, allow the Commission, at its option, to provide warehouse financing for mortgage loans at volume levels acceptable to the Commission.

- (10) MHDC uses and will continue to use, at their discretion, Lender Online through Emphasys Software for online lender loan reservations and to process, track and monitor loan activity. The respondent must have the ability to upload and download data to and from MHDC using the Single Family and Loan Tracker modules of Lender Online. The respondent must have the ability to comply with the specific file-layout as required by the software vendor for the file transfers.

- B. If the firm intends to utilize the services of one or more other firms in the firm's proposed method of performance, the other firm(s) must be identified in the Proposal, must also satisfy the criteria described in (1) through (8) (Eligibility Requirements (8) through (10) may be satisfied by the primary respondent only) immediately above, and must be acceptable to the Commission.

Section VII: Proposal Details

Include a cover letter (limit to 1 page) stating that: (i) that no elected or appointed official or employee of the Commission is financially interested, directly or indirectly, in the performance of the services specified in the RFP, consistent with the Commission's Standards of Conduct Policy and applicable laws and regulations (ii) that the information included in the Proposal is true and correct to the best of its knowledge and (iii) that the person signing the transmittal letter is authorized to execute the Proposal on behalf of the firm.

In addition, firms responding to this RFP should prepare clear and complete responses to each of the following questions and information requests. Brevity and clarity of responses will be appreciated.

- A. Location and Personnel. List the location of your firm's main office and the locations of offices in the State of Missouri. Provide the address of the office location that will service the Commission. Identify the person directly responsible as the primary representative on behalf of the Commission, the key personnel that will coordinate work with the Commission's originating lenders, and other key personnel expected to provide services to the Commission. Provide contact information for the primary representative and those key personnel and include a brief description of each person's background and experience as well as an explanation of their role and responsibilities for the firm.

- B. Firm Overview. Provide an overview of the firm, including the full legal name of the institution and identify the parent company if you are a subsidiary, state of organization and

supervisory and regulatory authorities that oversee the institution. Provide a summary of the structure and management of the firm. Specify the office that will perform, or assist in performing, the work. Indicate whether you operate as a partnership, corporation, or sole proprietorship. Indicate where your company is headquartered and where incorporated as applicable. You must submit evidence of authorization to do business or operate in the State of Missouri and include a copy of relevant public documents, such as a Missouri certificate of good standing, a foreign business registration, a fictitious name filing, or a copy of filed organizational documents. Likewise, Respondent must explain authorization to do business in Missouri and include like documents for all third-party agreements, joint venture arrangements, and/or relationships that will result in the provision of any services in whole or in part by outside parties, third-party contractors, affiliates, or subcontractors. In the event the Respondent or other entities included in the Response are not currently authorized to do business in Missouri include Respondent's proposed method and timeline for gaining authorization. Specify the office that will perform, or assist in performing, the work. Describe any significant changes in the management and/or structure of your firm, including mergers that have occurred during the past three years. Does your firm foresee or anticipate any organizational changes in the next 24 months? Pursuant to the Commission's Standards of Conduct, any Response under this RFP shall disclose the name of the individual, entity and/or entities having ownership interests in the Respondent. All entities identified in this disclosure shall be reduced to their human being level irrespective of the number of entity layers, which may be present for any disclosed entity. If the respondent to this RFP is a publicly held corporation the disclosure under this section shall include the names of the respondent's board of directors, its chief executive officer, chief financial officer, chief operating officer and any individual participating in the preparation of the application vis-à-vis this RFP. Questions regarding these requirements may be directed to the Commission's General Counsel, Anne Powell, by phone at 314-877-1373 or email at apowell@mhdc.com.

- C. Subcontracting. If your organization plans to subcontract any of the services required to be provided as Master Servicer, please indicate which, if any, will be subcontracted. Also, note which services will be subcontracted to minority or women-owned businesses and indicate what percentage of total revenues these comprise. Please identify those firms with which you propose to subcontract and describe the subcontractor's experience with the services being provided.
- D. Eligibility. Please confirm respondent's satisfaction of the Eligibility Requirements in Section VI, including specifically confirming each item numbered one through ten in Section VI.A and note any applicable exceptions. Indicate whether the respondent will utilize the services of any other firms as described in Section VI.B and, if yes, provide the requested information.
- E. References. Provide a list of all master servicer engagements of the firm and provide references for at least three such engagements, with particular attention to state housing finance authorities, if applicable, including name, address, telephone number and contact person including email address. Describe any issues or problems that have affected those accounts.
- F. Financial Position. Provide the most recent audited financial statement of the firm and unaudited financial statements the most recent quarter since the close of the fiscal year represented by the audited financial statement. Describe the firm's available liquidity to purchase and hold mortgage loans originated pursuant to the Commission's Single Family Housing Program until the loans are

pooled into mortgage backed securities and sold to the trustee, taking into account all the other obligations or claims for those funds besides the Commission’s programs.

- G. Customer Contacts. Describe and discuss your servicing procedures, including the location where MHDC loans will be serviced, customer contact information for borrowers, handling of customer inquiries, and other details of the customer service experience for MHDC borrowers.
- H. Legal, Regulatory and Ethics Actions. Provide a summary of any litigation, arbitration and regulatory proceedings, pending, adjudicated or settled that your firm has been subject to within the last three years involving services your firm provided as a master servicer. Please describe each regulatory proceeding in detail and any litigation or arbitration proceeding resulting in judgments, settlements or damage claims (for those matters not yet resolved) in excess of \$100,000 within the last five years involving services your firm provided as a master servicer. Describe any and all suits brought by or on behalf of any state or any agency thereof, regardless of the resolution of such case, in civil or criminal court, against the respondent or any affiliate of the respondent at any time during the past five years. Describe any regulatory proceeding of any kind brought by or on behalf of any state or any agency thereof, against the respondent or any affiliate of the respondent at any time during the past five years. Failure to respond fully to this question or to refer to public filings rather than provide the information directly may result in disqualification. Answers to this Question H shall be contained within the proposal response and shall not be incorporated by reference to other public filings.
- I. Scope of Service. Respond to each of the Scope of Services in **Section III** and indicate whether or not your firm can provide those services, including a brief description of how the services will be provided. Provide a detailed explanation of any service described in **Section III** the firm will not or cannot provide.
- J. Delinquency and Foreclosure Experience. Please supply the following information as of the end of the years noted, relating to all single family mortgage loans being serviced by you for your own account or for the account of others:

	12/31/19	12/31/20	12/31/21
% of Loans 30-60 days delinquent	%	%	%
% of Loans 61-90 days delinquent	%	%	%
% of loans more than 90 days delinquent (except foreclosure)	%	%	%
% of loans in process of foreclosure	%	%	%

- K. Preventing Delinquencies and Defaults. Describe and discuss any early intervention efforts your company has to keep loans current and to prevent defaults on loans serviced by your company.
- L. Loan Originator Requirements. Describe any documentation your company would expect to enter into with originating lenders and please include samples of such documentation. Will your company expect participating lenders to provide it with any information besides MHDC’s approval? If yes, please describe the required information and the purpose for obtaining it. Will your company accept loans for purchase from any lender approved by MHDC? If no, please describe the criteria used to accept lenders. Describe and discuss any special procedures or

requirements that might be imposed on originating lenders or required of originating lenders to facilitate loan deliveries and purchases. Attached hereto as Exhibit A is a list of MHDC certified lenders please identify any lender(s) on the list that are not currently qualified to originate loans.

- M. Correspondent Lending. Describe your company’s willingness to enter into correspondent lending arrangements with lenders in rural markets desiring to offer the program and the terms upon which your company would enter into those arrangements. Will your company require all participating lenders to enter into correspondent lending agreements? If yes, please describe the terms of those agreements.
- N. Rural Outreach. Describe and discuss how the Master Servicer might enhance MHDC’s ability to reach rural (non-metro) markets. Describe approaches the firm uses to originate and service loans in rural areas, and provide references from other state housing finance authorities where the respondent has established a history of originating or servicing loans in such areas.
- O. Service Auditors Report. Provide a copy of the respondent’s most recent Service Organization Control (SOC) Report.
- P. Confidentiality. Describe your firm’s standards and safeguards to ensure the security and confidentiality of nonpublic personal financial information.
- Q. Multiple Master Servicers. MHDC currently expects to retain a single firm as master servicer, but in order to provide redundancy and additional capacity for its single-family lending program MHDC reserves the right to engage more than one master servicer for its programs. Please describe any advantages and disadvantages this change would provide MHDC.
- R. Payment for Servicing Rights. Provide a firm quotation for the amounts your firm will pay for the right to serve as master servicer in accordance with the following table. Payments for servicing rights shall be computed based upon the principal amount outstanding at the time the Mortgage Loan is converted to a mortgage backed security and delivered as provided herein. In addition, if the payment quotation would be different if your firm serves as the exclusive master servicer, rather than as one of two or three master servicers, please provide separate quotations for exclusive master servicer and non-exclusive master servicer. **For purposes of this fee quotation, no additional fees for reservation, processing, or underwriting, or any other fees, other than those expressly authorized by MHDC to be collected by originating lenders, maybe charged to any borrower, to MHDC or to the originating lender by the Master Servicer.**

SERVICING FEE—NET OF ANY GUARANTEE FEE

Loan Type	6.5	18	19	25	31.5	43	44	56.5	69
GNMA I									
GNMA II									
Fannie Mae									
Freddie Mac									

Indicate if your company is receptive to odd coupon rates such that servicing is set at 44 basis points for GNMA certificates, and 25 basis points for Fannie Mae/Freddie Mac securities.

In the event your company recommends charging fees to any borrower under any circumstances, please provide a specific listing of all such fees that would be proposed, the amounts of such fees and the rationale for charging them. In addition, please provide a second chart of the amounts your firm will pay for the right to serve as master servicer in accordance with the table above in the event MHDC shall consent to such fees. **Confirm the period of time your quotation for payments for servicing rights would remain in effect at the levels set forth above. In the event those amounts would not extend for the full potential five-year duration of the engagement, specify your quotation or specify how your fee will be determined for the remainder of the full five-year prospective term. Amounts bid for the periods specified may not be adjusted during the term of the engagement.**

There have been certain arrangements between HFAs and their master servicers such that, in exchange for the HFA paying a portion or all of the upfront SRP to the originating lender, the master servicer shares a portion of the monthly servicing revenue with the HFA over the life of the mortgage-backed security. Please describe any such ongoing servicing revenue arrangement you would be willing to explore or enter into with the Commission. If that is not such a possibility, simply indicate as such.

- S. Economic Impact to Missouri. Provide information and data concerning the economic impact to Missouri of any contract entered into pursuant to this RFP. At minimum, provide: a) a description of proposed services that will be performed and/or the proposed products that will be provided by Missourians; b) a description of the economic impact returned to the State of Missouri through tax revenue obligations and otherwise; and c) a description of your firm's economic presence within the State of Missouri, including Missouri employee statistics.
- T. Rationale for Selection. Describe any special strengths or capabilities of your firm, the firm's inclusion of minority and women participation, including the firm's employees and/or any participation with a minority or woman-owned firms, the presence of offices or headquarters in Missouri, or any other special services or assistance your firm may provide to MHDC that you believe may be relevant to or helpful to MHDC in financing or administering its homeownership lending program initiatives.

Exhibit A

Lender Name

Academy Mortgage Corp.
American Pacific Mortgage Corp.
Ark-La-Tex Financial Services
Arvest Mortgage Co.
Bank of Springfield
Bell Bank
BOKF, BOK Financial Mortgage
Busey Bank
Cadence Bank
Caliber Home Loans
Carrollton Bank
Central Trust Bank
CIBC Bank
CMG Mortgage Inc. dba CMG
Financial
Commerce Bank
Community Bank & Trust
Community Mortgage
Cross Country Mortgage
DAS Acquisition Co., dba USA
Mortgage
Delmar Financial
Enterprise Bank & Trust
Everett Financial dba Supreme
Lending
F&B Acquisition Group
Fairway Independent Mortgage
Corp.
Finance of America Mortgage
First Bank Mortgage
First Federal Bank
First Integrity Mortgage
First National Bank of Omaha
First State Bank Mortgage
Flat Branch Mortgage
Frontier Mortgage
Gateway First Bank
Geneva Financial, LLC
GIC dba Gershman Morgage
Great Southern Bank
Guaranteed Rate Affinity

Guaranteed Rate, Inc.
Guild Mortgage
Hancock Mortgage Partners LLC
Hawthorn Bank
Highlands Residential Mortgage Ltd.
Land Home Financial Services
Landmark National Bank
LeaderOne Financial
Loandepot.com LLC
MegaStar Financial
Movement Mortgage
NBH Bank
New American Funding
North American Savings Bank, FSB
Oak Star Bank
Paramount Bank
Paramount Residential Mortgage
Group
Peoples National Bank, NA
Premier Mortgage Resources, LLC
Prime Lending
Prosperity Home Mortgage, LLC
Simmons Bank
Stifel Bank & Trust
Thompson Kane & Company, Inc.
The Home Loan Expert LLC
Summit Funding
U.S. Bank
UMB Bank
Union Home Mortgage
United Fidelity Funding Corp.
Waterstone Mortgage Corporation

**There is no additional information requested. Thank you for reviewing this RFP.
We look forward to your response.**