



Request for Proposals
Single-Family Loan Processing System

Issuance Date: September 3, 2019

Proposals must be submitted no later than 12:00pm (EST)
November 1, 2019

Submit to:
Holly Swisher
SFRFP@ohiohome.org
614-728-3900

57 E. Main Street | Columbus, OH 43215

Contents

- EXECUTIVE SUMMARY..... 3
 - Agency Overview.....3
 - Purpose..... 3
 - Background and Current Climate.....3
- Section 1 – General Information..... 5*
 - Eligibility..... 5
 - Schedule of Events.....6
 - Submission of Written Questions.....6
 - Verbal Communication Regarding RFP Prohibited.....7
 - Submission of Proposals.....7
 - Right to Request Additional Information.....7
 - Right to Reject Proposals and Cancel RFP.....7
 - Award RFP.....7
 - Agreement for Services.....8
- Section 2 – Minimum Requirements.....9*
 - Objectives.....9

Executive Summary

Agency Overview. The Ohio Housing Finance Agency (“OHFA” or the “Agency”) facilitates the development, rehabilitation and financing of low- to moderate-income housing. The Agency's programs help primarily first-time homebuyers, renters, senior citizens, and others find quality affordable housing that meets their needs. Formerly a division of the Ohio Department of Development, OHFA became an independent state agency on July 1, 2005 through Amended Substitute House Bill (HB) 431. OHFA funds competitive fixed-rate mortgage loans (Down Payment Assistance) and provides financing for the development and rehabilitation of affordable rental housing through the Housing Tax Credit program, issuing tax-exempt mortgage revenue bonds, and other affordable housing programs.

Purpose. This is a Request for Proposal (“RFP”) to solicit competitive proposals for a loan processing system, including an online lender portal, online homebuyer education, online realtor education tool, external servicer and finance integration, and a reporting module. This RFP provides details on what is required to submit a proposal, how OHFA will evaluate the proposals, and what will be required of the selected vendor.

Background and Current Climate. Based on changing market conditions in single family residential lending combined with consumer and lender desire for near real-time responses, OHFA is seeking qualified organizations that can provide a customizable out-of-the box (COTS) solution or design and build a custom solution that addresses the needs of the customer, internal users, lenders and housing counselors.

OHFA currently uploads rates to its current lender portal then the lender shares this information with borrowers. The lender registers the borrower's loan then submits financial documents and personal information required by OHFA programs. Upon submission, funds are immediately reserved for the borrower and held for twenty-five (25) calendar days. The system assigns a loan number, adds the reservation date and then “sits” pending completion of the homebuyer education. During this period the lender may change the loan type. The loan may be manually cancelled at day twenty-five, at which time the lender is notified via a note added to the system by a user. In the event that there are deficiencies with the request, OHFA notifies the lender via email or online; once the lender corrects the deficiencies, OHFA continues to process the loan. After loan documents are approved, the file is reviewed by Quality Control and the loan status (pending, approved, and declined) is updated in the system. A commitment letter is issued in the system and the lender then has approval to close. The note, mortgage, and loan terms are created for the lender to include in the closing documents. After closing, the lender submits the Purchase Package to

OHFA and the mortgage file to the Agency's master servicer. Quality Control reviews the Purchase Package, manually updates the system as approved for purchase and the file is sent nightly in a batch to the master servicer.

Additional tasks include but are not limited to:

- Generating reports on volume, loan types, pending work, geographical location, target areas, borrower demographics , and financial information;
- Generating reports on homebuyer education pending completion to be used for follow-up robo-calls;
- Issuing and re-issuing mortgage tax certificates;
- Generating reports to monitor foreclosures, bankruptcies, lien releases, and subordinations;

Section 1: General Information

1.1 Eligibility

Proposals will only be accepted from organizations that meet the following requirements:

1. Organization operates and was formed in one of the fifty United States, the U.S. Virgin Islands or Puerto Rico.
2. Organization is able to provide ongoing onsite support at the Agency's office in Columbus, Ohio throughout the discovery, build, and implementation and as needed during the post-implementation period.
3. Organization has sufficient resources to fulfill a long-term maintenance and support agreement.
4. Organization certifies that all work under the *Agreement for Services*, if awarded, will be completed in the United States.

Proposals must include the following items, products and services with regard to the Single Family Loan Processing System:

1. Project Management services and structure;
2. Names and summary of key skills for primary developers and project manager that will be assigned to the project. Full resumes are not necessary;
3. Contacts for three references – preferably from state agencies and similar projects;
4. Affirmation of requirements, design and customization services as proposed to meet the Loan Processing System solution requirements identified in this RFP;
5. Compliance with federal and State of Ohio laws regarding data confidentiality;
6. System functionality testing and assistance with user acceptance testing;
7. 150 hours of training to external partners and Agency staff;
8. Software maintenance, and upgrades, including ongoing technical support and assistance;
9. Ability to identify regulatory changes needed for ongoing compliance after implementation and have evidence of the ability to provide this service;
10. Explanation of data conversion process including table mapping documentation;
11. Timeframe for each phase;
12. Software tools, applications and database to meet the functional, technical and security requirements identified in this RFP and supporting documents at <http://www.ohiohome.org/news/rfp.aspx>;

- 13. Cost estimate to complete an end-to-end analysis of current processes and system and make recommendations toward the implementation of the replacement system;
- 14. Cost estimate to complete all work described in the RFP and cost of annual maintenance.

OHFA intends to select a vendor who will work with OHFA staff to either customize an out-of-the box solution or develop a custom loan processing application system that includes all federal and state compliance checks and other services more specifically listed and set forth in Section 2. OHFA is not seeking a rigid solution that prohibits customization.

1.2 Schedule of Events

OHFA has established the following schedule for selection of the qualified vendor:

Event	Date
RFP issuance date	September 3, 2019
Written questions from applicants	September 20, 2019
Responses to applicant questions	September 30, 2019
Proposals due	November 1, 2019
Completion of evaluations	December 31, 2019
Confirmed selection by OHFA Board	January 15, 2020
Start date of services	March 1, 2020

The above schedule is subject to change upon written notice from OHFA. Notification will be on OHFA's website and vendors that have submitted an RFP will receive an email indicating any changes.

1.3 Submission of Written Questions

It is the policy of OHFA to accept questions and inquiries in writing from all potential applicants; verbal requests will not be honored.

Potential applicants may submit their questions or inquiries via e-mail to: **SFRFP@ohiohome.org** with the subject: Loan Processing System RFP

All written questions or inquiries are due by 5:00pm (EDT) on September 20, 2019. OHFA will respond to all questions and inquires by 5:00pm (EDT) on September 30, 2019.

OHFA reserves the right to decline to respond to any question or inquiry that will cause

an undue burden or expense or is deemed unnecessary for purposes of responding to this RFP. OHFA will post all questions or inquires with answers on the State of Ohio Procurement website at <https://procure.ohio.gov> and on OHFA's website at <http://www.ohiohome.org/news/rfp.aspx>.

1.4 Verbal Communication Regarding RFP Prohibited

Verbal communication from any potential applicant regarding this RFP to OHFA staff and/or OHFA Board members during the RFP process is prohibited. This action may result in the communicator's proposal being removed from consideration.

1.5 Submission of Proposals

Proposals must be submitted both electronically and as a printed document.

Email to SFRFP@ohiohome.org as one (1) .pdf attachment; multiple attachments will not be accepted. Receipt will be confirmed with an email reply.

Mail or hand-deliver four (4) printed versions to:

Ohio Housing Finance Agency
Single Family – H. Swisher
57 E. Main Street
Columbus, Ohio 43215

All proposals must be received by 12:00pm (EDT), November 1, 2019.

Proposals received after the specified date and time will not be eligible for consideration.

1.6 Right to Request Additional Information

OHFA reserves the right to request additional information to assist in the review process, including requiring oral presentations of proposals to an OHFA Internal Evaluation Committee.

1.7 Right to Reject Proposals and Cancel RFP

OHFA reserves the right to reject any and all proposals at any time. OHFA reserves the right to cancel, withdraw, modify or reissue this RFP at any time for any reason.

1.8 Award of RFP

The RFP will be awarded to the vendor that gives OHFA the most effective combination of Professional qualifications, proposed solution, comprehensive

consultant services, demonstrated ability to identify and analyze key issues, proven availability of key personnel, and appropriate costs. OHFA will post on its website the vendor selected contract for the project after formal approval by the OHFA Board.

The selection process consists of two phases.

Phase I) Evaluation of vendor proposals based on the responses to the RFP criteria;

Phase II) Evaluation of demonstrations by vendors selected to continue past Phase I. The demonstration shall include either a review of the vendor's current COTS product with details on how it will be modified to fit the proposed scope OR a review of other products that the vendor has created and a visual mock-up of what may be created for OHFA.

Each item in Section 2 will be assigned 0-2 points during the scoring process. If the scorer(s) determine(s) there is sufficient information to support that the item will be provided, 2 points will be assigned. If the scorer(s) determine(s) that the requirement is partially met, 1 point will be assigned. If the scorer(s) determine(s) that the requirement has not been met, 0 points will be assigned. Ability of producing the desired results (determined by points earned), price, adherence to the timeline, experience, reference(s), demonstration evaluation, and past performance with the Agency (if applicable) may all be taken into consideration.

1.9 Agreement for Services

The vendor selected to provide the services for the build or customization of a loan processing system described in this RFP will complete and submit a mutually acceptable *Agreement for Services* covering the Scope and Terms of this RFP. The *Agreement for Services* will begin March 1, 2020. The work is to be completed and fully implemented no later than August 31, 2022.

Section 2: Minimum Requirements

2.1 Objectives

It will be the vendor's obligation to ensure that the proposal meets or exceeds all of the following objectives.

Note: *The system must be built and remain in compliance with all federal and state mortgage lending requirements. The vendor will certify quarterly that they have updated all parts of the software per federal and state mortgage compliance requirements, providing a list of changes made during the quarter. Vendor must have dedicated staff, knowledgeable in mortgage compliance to ensure that compliance regulations are consistently met. The Agency will not provide guidance for mortgage compliance. Additionally, the selected vendor must have an annual SSAE-16 audit conducted (or agreed upon replacement) and the results submitted to OHFA.*

Software requirements

- Implementation of a web-based software application that is compatible with mobile devices (or also includes a tablet-based app) for use by lenders, customers, housing counseling agencies, and Agency staff in performing the tasks needed to provide homeowner and realtor education, and submit, reserve, review, underwrite and fund, sell and purchase 1st and 2nd mortgages and complete lien releases;
- Provision for all users to access tools via desktop and mobile device;
- Meets GASB requirements;
- Interfaces with existing, third-party general ledger system;
- Tracks of cash receipts at the loan and lender level;
- Reports current and non-current receivables;
- Captures all data points needed from a financial perspective;
- Automates notification process for purchasing and selling;
- Identifies multiple account sources from which loans are funded;
- Enables assignment of lender users to multiple brick and mortar locations.
- Provides a single user account that allows each lender user access to all assigned locations with the ability to filter by location.
- Provides each lender an administrator account that allows them to assign access to their employees as needed. Multiple levels of lender access is required;
- Allows online communication between Agency, lender and servicer;
- Calculates LTV, CLTV, DTI and compares to information transmitted from the lender;

- Captures AML, target area, loan amount charts;
- Allows for automatic loan notification and cancellation;
- Provides single entry point for data that feeds multiple fields / modules;
- Provides auto-notifications of loan status(es);
- Allows for the modification of loan types / requirements;
- Makes loan types available for selection by lender with a “checklist” of items needed to review for eligibility;
- Masks Social Security numbers;
- Records history of actions taken at the file level;
- Provides history log of all activity within the system;
- Supports eNotary, eDocs and eSign;
- Provides (if needed) interface with current eSign software;
- Allows internal chat function with history at the system level;
- Provides optical character recognition and transfers recognized data to desired fields and auto organizing of documents;
- Allows the ability to add homebuyer education videos, documents, PowerPoints, links, and tests that where upon completion the application will be updated with a completed flag;
- Restricts fast-forwarding on educational videos;
- Enables the ability to create and send surveys with reporting features;
- Stores and maintains contact information at the loan, agency, realtor, homebuyer education, and lender level;
- Embeds links on each file to county recorder and auditor sites where property is located with the ability to update as needed;
- Embeds link on each file to government bankruptcy site;
- Geo-codes all properties and provides a map display;
- Offers user-friendly reports that can be built from any field in the database;
- Track cancellation periods at the loan and report level;
- Provides the ability to run ad hoc reports from any field in the database;
- Generates and issues letters, disclosures, and IRS forms;
- Tracks loan status and performance of portfolios including at the foreclosure, bankruptcy, and sheriff sale level;
- Queues loans to be reviewed and assignable to staff;
- Maintains user queues at the lender, underwriter and manager levels;
- Allows unique identifier (loan number) of at least 15 digits;
- Creates distinction between first and second mortgage and amortizing and non-amortizing loans with the record being classed together;
- Amortizes second mortgages with the inclusion on all application schedules;
- Creates ability to import second mortgage activity from servicer (P&I payments, curtailments, delinquencies, etc.);
- Tracks all second mortgages at loan level and by pool;

- Supports auto-purchasing allowing for the ability to search by name, parcel number, address, etc. with the purchase functionality;
- Identifies census tracts that can be reflected via reporting and on maps;
- Provides ability to key in an address and determine if it is located in designated census tract;
- Transfers subordinated loans to a new category / series that includes the tracking of fees when OHFA becomes the servicer;
- Tracks Real Estate Owned homes (REO);
- Tracks production by staff;
- Automatically assigns series and program codes;
- Reconciles loan data (loan balance, rate, P&I, paid-to-date, etc.) to servicer;
- Selects a housing counseling agency with reporting (services provided by agency) to determine which agency was selected and associated fees earned;
- Assigns counseling agencies geographically;
- Emails lender, servicer, housing counseling agencies from within file;
- Creates a budget and educational test for homebuyers with the functionality to expand for future enhancements;
- Stores and maintains all ULDD data fields required to deliver a saleable loan to Freddie Mac and Fannie Mae;
- Masks/truncates SSN's on screens and in reports, dependent upon user roles and permissions;
- Sets alerts, notes and flags on the field level to prevent certain loans from being edited (based on security) after reaching certain status levels with management-level overrides;
- Supports all standard Government-Sponsored Enterprise data requirements including 1003 application data, 1st time homebuyer data, and HDMA data. Tracks whether the property is located in a Targeted Area (Qualified Census Tract) or Area of Chronic Economic Distress (ACED));
- Generates and auto fills mortgage documents including, but not limited to, the Good Faith Estimate (GFE), Truth in Lending Statement (TIL), Lending Estimate (LE), Closing Disclosure (CD), lien release, subordination, and 1003 Loan Application;
- Exports and imports files in various data formats, including but not limited to XML, CSV, DU;
- Includes a pre-qualification feature that advises a borrower they are not eligible if the property address is the same; queue for review if the property address is unique;
- Features manager override of rates and programs;
- Tracks lien releases;
- Features customizable reporting system;

- Allows the ability to add notes with category dropdowns at the department and user level;
- Allows the ability to drag and drop documents;
- Stores documents with a periodic sync to OHFA's internal system;
- Calculates income and determines eligibility by county with flag settings for income, credit score, sales price, and DTI;
- Allows files to be viewed by another user but locked for changes when open by another user;
- Contacts database for storing of information of partners;
- Generates MCC certifications for mailing;
- Auto-fills legal descriptions for use with the releasing of liens;
- Contains OHFA branded and legal approved fraud statements to be displayed at to-be-determined intervals;
- Tracks program funds;
- Sends blast notifications to selected groups/all;
- Automates reports to the IRS and lenders quarterly and annually including roll ups of all open loan series;
- Allows auto load annual sales price and income limits to all programs inside the applicable series;
- Imports data from the IRS to update the annual sales prices limits with one data point that will feed all applicable programs/counties/display fields;
- Imports data from HUD Section 8 to update the annual income limits with one data point that will feed all applicable programs/counties/display fields;
- Identifies loans that need recaptured and send letters;
- Ability to easily input new federal and program-based income and purchase price limits to the system and apply to loan series and programs;
- Additional items identified during the project;

Technical

- Any custom solution must be built on Microsoft-based platforms: Windows Server, SQL Server, IIS, Visual Studio, C#.NET, MVC, etc. Software tools for application development, maintenance, and source code management must be deployable in an on premise configuration, should the need arise.
- Requires the use of OHFA best practices for password strength, expiration, and multi-factor authentication at registration, sign-on, and reset for all users;
- Supports configurability of application parameters and structure;
- Converts and migrates existing data into the new system;
- Pushes / pulls documents and data from internal systems / third party systems as needed using an Application Programming Interface (API);
- Stores and protects Personally Identifiable Information (PII);

- Implements a centralized databased application that collects the results of the application and makes it available for analysis, reporting, transmittal to the general ledger (GL) and applicable GL tools, and program administration;
- Arranges for solution to be hosted on-premises, unless the chosen platform is cloud-based;
- Provides a near real-time mirror of the production database for use by managers for periodic testing, what-if scenario evaluation, and by IT for integration to other applications and websites;
- Features API with OHFA Help Desk to submit payment requests;
- Defines the performance and capacity related to active web user sessions and anticipated response time;
- Provides information regarding the vendor's auditing and security practices regarding safeguarding of data and notification of breaches;
- Provides a copy of the most recent SSAE 16 Type II audit and SOC1 Type 2 report. If the response is for that of an existing software solution the proposal will include; If unavailable, provides alternative
- Provides information regarding software technical support offerings and procedures for resolution of inquiries/errors, including escalation of issues and change management procedures for software updates / patches. Additional information should be provided on the monitoring and deployment of time-sensitive regulatory changes, including method of communication and expected content;
- Provides details of the availability of the application source code to the Agency or options for placing up-to-date source code in escrow;
- Offers details on the management of Agency customization against the software's core application;
- Explains the implementation approach and project plan indicating resources, major milestones, implementation dates, responsibilities, roles, deliverables and who the assigned project manager will be through the lifecycle of the project;
- Gives the ability to define additional or custom fields to characterize loans so that the data can be manipulated by existing OHFA technology;
- Provides software availability restrictions based or limitations that will prevent the system from being available 24 hours per day, 365 days per year, (allowing for reasonable maintenance downtime);
- Gives dropdowns or popups for all points of entry that allow for selection of counties and cities;
- Provides details on procedures for backup and recovery of data including availability of restores, reports of backup success or failures, retention cycles, and weekly backups to external secured site;
- Allows for future expansions;

Customer Service

- Provides application support via electronic mail, telephone, and when needed, in person. Support shall include corrections, enhancements, performance improvements, new releases, regulatory updates (vendor will be expected to know the environment and keep track of regulation changes to make recommended software changes), and updates necessary to maintain the application with compatibility with the installed operating environment, including the installed servers, database, and client software, if applicable;
- Provides training for all end users;
- Provides training material for all levels of training in video and printed formats;
- Provides your organization's customer service philosophy
- Explains what expectations you have of Agency resources;