HAF RFP Questions and Responses
Dated 6/11/21

QUESTION: 1 In Appendix A, Section 1, Subsection B (page 19), the RFP references the "support and integration as needed to IHCDA payment processing and systems."

        a.)   Please provide greater detail on these systems, including the extent of the "support" intended to be provided.

        b.)   Please describe how integrations are envisioned to be achieved and whether APIs are available.

ANSWER: IHCDA uses a proprietary internal Data Management System (DMS), as well as Microsoft Dynamics GP. The HAF application processing platform must be able to export data that can integrate into DMS and Dynamics GP. The software vendor will be responsible for providing the appropriate interface(s) as needed.

QUESTION: 2 In Appendix A, Section 3, Payment Processing (page 21), the RFP references "common payment methods (e.g., ACH, Check)." Please explain any preferences IHCDA may have for banking partners (including existing State of Indiana or Indiana Housing & Community Development Authority banking partners).

ANSWER: JP Morgan Chase Bank is IHCDA's banking partner for HAF

QUESTION: 3 Is the state looking for loan underwriting application in addition to a rental assistance application?

ANSWER: This RFP is related to mortgage loan applications ONLY.

QUESTION: 4 What are the underwriting capabilities that should be included?

ANSWER: Underwriters should be capable of reviewing information and documentation typical to single family mortgage loan applications and be able to make eligibility determinations using criteria provided by IHCDA.

QUESTION: 5 Specifically, what mobile clos[ing] services should be included?

ANSWER: Mobile closings must be made in the presence of a Notary Public, with verification of borrower identity and provision of document copies to borrower.

QUESTION: 6 Please describe, in detail, the eligibility requirements that will need to be evaluated.

ANSWER: Eligibility requirements are still in draft form. The current draft requirements are as follows:

Eligible Homeowners	Eligible Homeowners for the Mortgage Assistance Program must meet the following criteria: • Homeowner must have experienced a Qualified Financial Hardship on or after January 21, 2020 associated with the coronavirus pandemic. • Homeowner must have owned the home on or before January 1, 2020. • Homeowner must currently own and occupy the property as their primary residence. • Homeowner must meet the Homeowner Income Eligibility Requirements. • Homeowner must attest that they experienced a financial hardship after January 21, 2020. The attestation must describe the nature of the financial hardship. • Homeowners who have previously filed for bankruptcy but who are no longer in bankruptcy must provide proof of court ordered "discharge" or "dismissal". • Homeowner must complete and sign Affidavit, Application, Disclosures, and 3rd Party Authorization forms. • Homeowner agrees to provide all necessary documentation to satisfy program guidelines within timeframes established by IHCDA, including self-certification or attestation of socially disadvantaged status, as applicable. • The original, unpaid principal balance of the homeowner's first mortgage or housing loan, at the time of origination, was not greater than the conforming loan limit in effect at time of origination. Co-owners are not permitted to separately apply for program assistance.
Eligible Legal Ownership Structures	"Eligible Legal Ownership Structures" include only the following: • Those where the home is owned by a "natural person" (i.e., LLP, LP or LLC <u>do not</u> qualify) • Those where the homeowner has transferred their ownership right into non- incorporated, Living Trusts, provided the homeowner occupies the home as the primary/principal residence.
Qualified Financial Hardship	A "Qualified Financial Hardship" is a material reduction in income, medical hardship, or death associated with the coronavirus pandemic that has created or increased a risk of mortgage delinquency, mortgage default, or foreclosure for a homeowner. The hardship MUST have occurred on or after January 21, 2020.
Homeowner Income Eligibility Requirements	With respect to all borrowers: • Must own only one mortgaged home in the State of Indiana; • Must submit an affidavit and supporting documentation identifying a COVID-19-related financial hardship that occurred on or after January 21, 2020; • Current household income must be at or below 140% of AMI, adjusted for borrower household size; In addition, one of the following must apply:

	• For Monthly Assistance or Monthly Assistance with Reinstatement borrowers: a) Lender validated monthly first mortgage payment must exceed 25% of the borrower's gross monthly household income, excluding unemployment insurance benefits, and b) Following the reinstatement portion of assistance, if applicable, there must be sufficient funds available within the Maximum Household Assistance cap to allow IHCDA to make at least 3 monthly mortgage payments to the servicer. or: • For Reinstatement-Only borrowers: a) Must have a current maximum front-end housing debt-to-income ratio of 38%;
Eligible Properties	"Eligible Properties" are those that are: • Single-family (attached or detached) properties • Condominium units • 1 to 4-unit properties where the homeowner is living in one of the units as their primary residence. • Manufactured homes permanently affixed to real property and taxed as real estate
Program Launch	The program will launch during the third quarter of 2021 (Q3-2021).
Program Duration	The period of performance for the HAF award ends September 30, 2026. IHCDA plans to disburse all funds by June 30, 2026.
Application Process	Homeowners will apply electronically using an online application portal procured by IHCDA. Accommodations may be made for applicants who are unable to apply electronically.
Required Application Documents	• HAF application • Third Party Authorization (TPA) and Disclosure Form • Qualifying hardship attestation and supporting documentation from homeowner certifying and identifying the eligible hardship and that it occurred on or after January 21, 2020, as required • Mortgage Statement • Income documentation; W2's, paystubs, previous years' tax returns or alternative income documents as applicable.
Program Exclusions	• Open "line of credit" loans. • Vacant, abandoned, or condemned properties • Properties for which the occupant is not the deeded owner (except properties held in non-incorporated, Living Trusts) • Properties owned by Limited Partnerships, Limited Liability Partnerships, Limited Liability Companies, or other incorporated entities • Properties located outside the State of Indiana

QUESTION: 7 What are some of the fraud protection capabilities should be included beyond duplicate application detection?

ANSWER: Respondents are encouraged to detail what, if any, fraud capabilities they can provide beyond duplicate application detection.

QUESTION: 8   What is the source of the mortgage legal descriptions? Will they be manually or automatically updated?

ANSWER: IHCDA is exploring options for automated legal descriptions.

QUESTION:9   In Section 4: RFP Submission Items, there are two required forms: Qualifications Cover Sheet and Certification of Company. Are these forms excluded from the proposal page total?

ANSWER: Yes. The cover sheet and certification may be excluded from the page total.

QUESTION:10   Appendix A requests detailed information related to 25 items. Would it be acceptable to include this detail in an appendix following our proposal and the pages not count against the proposal page limit?

ANSWER: Yes. Respondents may include software and information technology detail (ONLY) in the form of an appendix. No more than five (5) pages of the software and information technology appendix will count toward the proposal page limit.

QUESTION:11   Has IHCDA submitted its HAF plan to Treasury and if so, has Treasury approved it?

ANSWER: No. IHCDA has not submitted its HAF plan to Treasury.

QUESTION:12   There are several RFP requirements regarding the creation of a second mortgage listed in Section 3 Scope of Services (B) Potential Services and (D) Success Factors and Objectives.
- Responding to foreclosure actions and bankruptcies related to HAF second mortgage.
- Obtaining legal descriptions for completion of second mortgages.
- Mortgage delinquency and default risk.
- Mobile closing services.
- Obtaining legal descriptions for completion of second mortgages.

a.) Based on these requirements will IHCDA require the successful HAF applicant/homeowner to execute a 2nd mortgage for the HAF grant?

b.) What is the purpose of the creation of a second mortgage; what does it cover mortgage amount and who are the respective mortgagors and mortgagees?

ANSWER: All assistance will be structured as a forgivable, non-recourse, non-amortizing loan, secured by a junior lien on the property. The loan has a term of 5 years. The first 20% of the loan will be forgiven Twelve (12) months after the loan closing. The remainder of the loan will be forgiven at a rate of 20% per annum thereafter. If the borrower sells the property before the loan is fully forgiven, all net sale proceeds, up to the full outstanding principal balance at the time of sale, will be due and payable to IHCDA.

QUESTION:13 Must the vendor responding to this RFP be in Indiana?

ANSWER: No. However, vendors located in different time zones will be expected to make themselves available during IHCDA hours of operation.

QUESTION:14 When is the last day to send RFP questions?

ANSWER: There is no deadline to submit questions related to the RFP. However, to ensure that questions are answered prior to the RFP submission deadline, IHCDA recommends that all questions be asked no later than 72 hours prior to the deadline for RFP submission.