

**REQUEST FOR QUALIFICATIONS (RFQ)
for
MORTGAGE LENDERS**

July 1, 2023 – June 30, 2036



**Riverside County
Housing and Workforce Solutions
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I. INTRODUCTION

A. Program Descriptions

County of Riverside Department of Housing and Workforce Solutions (HWS) is seeking mortgage lenders to originate mortgage loans related to the acquisition of new and existing single-family housing in Riverside County and made in conjunction with the HWS Down Payment/Purchase Price Assistance Programs. (No MCC available currently.)

1. Down Payment and Purchase Price Assistance Programs

The Riverside County Board of Supervisors has authorized HWS to administer programs for the purpose of providing Down Payment/Purchase Price Assistance to low to moderate income first-time homebuyers. These programs are comprised of: (a.) First Time Home Buyer Program sourced by HUD HOME Investment Partnerships Program (HOME) funds (HOME FTHB) and (b.) First Time Home Buyer Program sourced by State Permanent Local Housing Allocation (PLHA) funds (PLHA FTHB). Programs are administered by HWS pursuant to applicable federal, state, and local policies and procedures.

a. HOME FTHB

On March 14, 1995, the Board of Supervisors of the County of Riverside established the HOME FTHB Program in conjunction with HOME Investment Partnerships Act of 1990 as a means of assisting qualified individuals with the acquisition of new and existing single-family housing. This FTHB is financed with HOME funds which are awarded to the HWS annually by the US Department of Housing and Urban Development (HUD). FTHB provides down payment assistance to low-income first-time homebuyers in the amount of up to 20% of the home's sales price not to exceed \$75,000 for the purchase of properties located in unincorporated areas and participating cities within Riverside County. Assisted homebuyers must obtain an eligible first mortgage loan through a HOME FTHB participating lender.

b. PLHA FTHB

On 2021, the Board of Supervisors of the County of Riverside established the PLHA FTHB Program in conjunction with the state's Permanent Local Housing Allocation (PLHA) as a means of assisting qualified individuals with the acquisition of new and existing single-family housing. This PLHA FTHB is financed with PLHA funds which are awarded to the HWS annually by the California Department of Housing and Community Development. FTHB PLHA provides down payment assistance to moderate income first-time homebuyers in the amount of up to 20% of the home's sales price not to exceed \$100,000 for the purchase of properties located in unincorporated areas and participating cities within Riverside County. Assisted homebuyers must obtain an eligible first mortgage loan through a PLHA FTHB participating lender.

c. MCC Mortgage Credit Certificate Program

Not available currently.

B. Purpose for Request for Qualifications

HWS is soliciting Requests for Qualification (RFQ) from Mortgage Lenders for participation in the above referenced programs. The RFQ will be used to pre-qualify a limited number of qualified mortgage lenders to provide mortgage loans related to the acquisition of new and existing single-family housing in conjunction with both FTHB Programs. This includes single

family residences, condominiums, planned unit developments (PUDs) and “qualified” manufactured housing throughout Riverside County.

C. Life Span of the FTHB (HOME & PLHA) Programs Corporate Approval

HOME and PLHA FTHB participating lenders will be reviewed periodically. Lenders who have performed competently, in a timely fashion and have acted in good faith will remain corporate approved until the expiration of the term of the Lender Participation Agreement, which for this fiscal term, ends June 30, 2036. (13 fiscal year term.)

II. LENDER REQUIREMENTS

Responses to this RFQ are desired from lenders who meet the following minimum criteria. Criteria listed below do not comprise the entirety of lender requirements and lender selection is at the discretion of the HWS.

- A. Lender is licensed to do business in the state of California and should be a direct lender. However, if applying lender is a broker, broker should be sponsored by or affiliated with an approved corporate wholesale funding lender, who is licensed to do business in the state of California.
- B. Lender is a duly organized and existing corporation currently in good standing under the laws of the State under which it was formed and is fully registered with the Secretary of State for the State of California and allowed to do business within the State of California.
- C. Lender wishes to participate in both FTHB Programs administered by the HWS in connection with mortgage loans it will make available for the acquisition of new and existing single-family housing in Riverside County.

III. LENDER GUIDELINES

A. General Parameters

The following guidance provides general parameters for lenders. This guidance is meant to ensure that minimum requirements are met for loan standards as set forth by HUD and any equivalent State laws and requirements but is not inclusive of all guidelines and requirements.

1. Lender would act as non-exclusive agent for the receipt and processing of applications for first time home buyers under both FTHB Programs.
2. Lender has received instructions and documents regarding both FTHB Programs and shall become familiar with the unique underwriting requirements of said programs as administered by HWS.
3. Funding for both FTHB Programs can only be used in conjunction with a fully amortized, fixed rate, 30-year term first mortgage, for acquisition of homes to be occupied by first-time home buyers as their primary residence. FTHB Program applicants must be placed in the highest ratio fixed rate loan for which they qualify. Meaning, ideally, top ratios should appear between 25-35%, unless an exception with compensating factors/hardships is granted in advance, on a case-by-case basis.
4. All applicants are to be treated fairly, receive a full and accurate explanation about the FTHB Program terms including the potential for recapture.
5. HWS will not reserve exclusively for the Lender any portion of neither HOME or PLHA FTHB allocations.
6. Lender shall provide investigation as is necessary to certify that the applicant has satisfied all requirements of the FTHB Programs, as specified in the FTHB (HOME & PLHA) Program

Handbooks, including those imposed by temporary and permanent regulations issued pursuant to the Internal Revenue Code.

7. Lender, its officers, and agents, shall not discriminate against or segregate any person or group of persons, based on marital status, gender, race, color, religion, creed, national origin, or ancestry for participation in the FTHB Programs.
8. The Lender agrees to comply with all local, state, and federal laws, rules, and regulations relating to fair housing and equal opportunity.

B. Loan Officers of Approved Lenders

Loan officers of approved lenders who are interested in participating with the FTHB Programs must attend required periodic lender training for each program with which they want to participate. Approved FTHB lenders will be also corporate approved and are responsible for making company loan officers aware of this training requirement. Information on required periodic lender training may be found on the HWS website at www.rchomelink.com and/or <https://www.eventbrite.com/o/county-of-riverside-hws-homeownership-17244057316>

It shall be the sole responsibility of the corporate lender and approved loan officers to ensure that they are in full compliance with all applicable Federal, State, local, FTHB (HOME & PLHA) guidelines, while producing the highest degree of quality in loans for the HWS assisted homebuyer.

IV. RFQ SUBMITTAL REQUIREMENTS

Again, we are not offering MCC loan officer nor MCC corporate office approval currently. Therefore, current RFQ (Appendix A form) at this time only includes an application for both FTHB Programs combined.

Lenders who are interested in participating with both FTHB Programs must respond legibly and appropriately to all portions of the RFQ. Lender must turn in a complete submittal package, including all items in Appendix A for the FTHB Programs application. Also, signer must be an authorized corporate representative to sign Appendix A; additionally, it should be a wet ink signature page submitted.

RFQ submittals must be delivered as instructed in Section VII of this RFQ.

A. FTHB Program Portion of the RFQ

All lenders interested in participating with the HWS FTHB Programs for the certification time period of July 1, 2023 through June 30, 2026 must complete Appendix A of the RFQ. Lenders who do not complete and submit this portion of the RFQ will not be eligible to participate in our FTHB programs.

The following are required for the FTHB Programs portion of the RFQ (See Appendix A). Lenders shall submit two (2) originals of their RFQ submittal to the HWS for consideration. The submittal shall contain all the required elements, organized as listed below:

1. All items as indicated on the Checklist: First Time Home Buyer Programs (FTHB) Portion of the RFQ
2. Copy of Corporate Resolution documenting authorized signer (Resolution should either be specific to the signing of the HWS agreement or apply to agreements in general)

3. Copy of State of California Department of Corporations License Certificate (DRE license is not acceptable in lieu). If a Department of Corporations (DOC) license Certificate is not available, lender to explain why including justification for how the lender is licensed and operating as a direct lender in the State of California and lender to provide documentation of these assertions.
4. If Company is FSB or NA, letter on company letterhead stating which applies, with authorized signature. (DOC license certificates are not required for FSB or NA lenders).
5. If lender is “Doing Business As”, submit copy of the DBA statement or assumed name certificate filed with the State of California or County of Riverside for each fictitious business name. A copy of a published legal notice ad in the newspaper is not acceptable in lieu.
6. All above items are required regardless of lender’s current or past lender approval status.

B. MCC Program Portion of the RFQ

MCC program not offered at this time.

V. CONDITIONS

A. Pre-Contractual Expenses

Pre-contractual expenses are defined as any expenses incurred by the responding party in: (1) preparing response to this RFQ; (2) submitting the response to the HWS; (3) negotiating with the HWS any matter related to this RFQ; (4) engaging in any other activity prior to the deadline for RFQ submittal. HWS shall not, under any circumstances, be liable for any pre-contractual expenses incurred by lenders responding to this RFQ, including but not limited to travel expenses.

B. No Commitment to Select a Lender

Issuance of this RFQ does not commit the HWS to select Lender for FTHB (HOME or PLHA) corporate approval to participate.

C. RFQ Parameters

The HWS reserves the right to postpone the RFQ for its own convenience, to accept or reject any or all RFQ submittals received in response to this RFQ, or to cancel all or part of this RFQ. Any RFQ response submitted during this RFQ process becomes the property of the HWS.

The HWS reserves the right to waive any irregularities or informalities in the RFQ submittals received. In the event of any such rejection, or in the event a lender’s RFQ is not rejected but does not result in corporate approval to participate with the FTHB programs, the HWS shall not be liable for any costs incurred by the lender in connection with the preparation and submittal of the RFQ response.

VI. EVALUATION AND SELECTION PROCESS

A. Evaluation Panel

Evaluation of the RFQ submittals will be made by the HWS. HWS staff will comprise an evaluation panel with responsibility for reviewing, analyzing, and evaluating the RFQ submittals received. The panel may also assign this task to other staff. The evaluation panel will establish a list of successful lenders to be corporate approved to participate with the FTHB programs.

B. Evaluation Criteria

By use of numerical and narrative scoring techniques, RFQ submittals will be evaluated by the evaluation panel against the factors specified below.

1. Types of mortgage loans lender is qualified to fund and service
2. Number of Locations and Branches
3. Availability of bi-lingual Staff
4. Availability of ITIN programs
5. Community Reinvestment and Affirmative Marketing activities
6. Community Involvement
7. Knowledge of and experience with first time homebuyer programs
8. Special rates and terms for first time homebuyers

In selecting the most qualified lenders, the HWS may require the finalist to make an oral presentation to the Evaluation Panel to further explain their submittals. If such interviews are conducted, the HWS's ratings of the presentations will also be factored into the final scores assigned to the lenders. However, lenders are advised that selection may be made without interviews or further discussion. Ultimately, lenders who are deemed to provide the best combination of strengths and experience in order to service prospective HWS homebuyers will be selected for corporate approval to participate.

VII. APPLICATION PROCEDURES AND SCHEDULE

The lender selection process will result in an Agreement between lender and the HWS. The Agreement will stipulate all responsibilities of the lender and finalize all business terms between the HWS and the lender concerning FTHB assisted transactions.

RFQ submittals and any questions concerning this RFQ should be directed to:

County of Riverside
Department of Housing and Workforce Solutions (HWS)
Attn: Susan Guarino &/or Deysi Salazar
3403 Tenth Street, Suite 300, Riverside, CA 92501
(951) 955-4861 / (951) 955-0784
sguarino@rivco.org / dssanchez@rivco.org

RFQ submissions must be received at the above address. RFQ packages are subject to rejection. Respondents must mail or hand-deliver one (2) originals of the RFQ submittal package. Submittals will be date and time stamped by HWS staff upon receipt. RFQ submittals become the property of the HWS and will not be returned.

Incomplete RFQ submittals are considered to be non-responses. Faxed RFQ submittals will not be accepted.

VIII. RESPONSIBILITY OF RESPONDENTS

If it is found that the lender is irresponsible (e.g., is not a legal entity, does not have a valid license with the State of California Department of Corporations, submitted an RFQ package without an authorized signature, falsified any information in the submission package, etc.), the submittal shall be rejected and will be cause for immediate termination of any agreement.