

Additional Questions and Answers as of July 10, 2024, CHFA 271-Request for Proposals (“RFP”) Loan Servicer (Single Family):

Question: The first response in the last set of questions and answers says that the “RFP does not include servicing existing portfolios of DAP loans.” The third response, however, states that “The only planned transfer at this time is the transfer of a DAP portfolio consisting of 6,300+/- DAP loans.” Please clarify.

Answer: There is an existing DAP portfolio for which arrangements have been made to transfer that portfolio to a CHFA DAP servicer selected from the previous RFP.

Question: If there is a possible transfer of 6,300 DAP loans, please confirm where these loans are currently serviced or subserviced and the servicing system being used.

Answer: Please see the answer to the question above.

Question: For Flow Loans, is the subservicer expected to purchase real-estate tax service contracts?

Answer: The cost for purchasing real-estate tax service contracts is passed through to CHFA.

Question: What is the expected monthly volume of TTO forgivable loans?

Answer: The monthly average for the first six months of 2024 was 212. CHFA anticipates that volume to continue.

Question: Will CHFA consider separate pricing for the TTO loans? It is very difficult to bundle the cost for these loans with the other flow first mortgages and flow DAP loans given unpredictable volumes in all three categories.

Answer: Yes.

Question: For Flow Loan boarding, the previous response to questions indicates that CHFA follows industry standards but does not clarify the exact audit and reporting requirements of the subservicer for each class of loans. Please confirm.

Answer: In terms of an audit, CHFA expects the servicer/subservicer conduct industry standard due diligence with each loan file to ensure it is complete. CHFA does not have any reporting requirements regarding the loan file unless there are file deficiencies as discussed in the answer below.

Question: The previous response indicates that the servicer “is responsible for ensuring a complete file of collateral and loan file documents.” What liabilities does the subservicer have if the lender does not provide complete collateral documents? The subservicer has no contractual relationship with the lenders and has no way of enforcing this requirement.

Answer: The servicer/subservicer would be expected to inform CHFA of a deficient loan file after making a reasonable effort of working with the lender to correct any deficiencies. CHFA will then take responsibility for lender compliance with that loan file.
