

**Request for Action
By
Board of Commissioners**

Approval of Renewal of Master Agreement with MetaSource, LLC

A. SUMMARY OF REQUEST

This Request for Action (“RFA”) seeks authorization for Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) to enter into a renewal of the Master Agreement with MetaSource, LLC, dated January 1, 2021, for a term of two (2) years beginning on January 1, 2025. MetaSource, LLC provides residential mortgage post-closing due diligence services for RIHousing’s Homeownership and Loan Servicing Divisions.

B. DISCUSSION

To comply with investor and insurer requirements, RIHousing must conduct regular compliance reviews for residential mortgages that RIHousing originates, purchases, and subservices.

In November 2020, RIHousing’s Board of Commissioners authorized RIHousing to engage Titan Lender Corporation – now known as MetaSource, LLC (“MetaSource”) – to provide various post-closing due diligence services to RIHousing. In January 2021, RIHousing entered into a Master Agreement with MetaSource to provide various post-closing due diligence services, including but not limited to: 1) whole loan purchase review; 2) post-closing audits; 3) FHA case binders; 4) document retention; 5) integration and development; 6) FNMA loan detail for delivery; 7) processing original documents for secondary financing; and 8) document services for Maine State Housing Authority (the “Master Agreement”). The term of engagement of the Master Agreement was four (4) years, terminating on January 1, 2025. Under the Master Agreement, the Master Agreement may be renewed for two (2) years upon mutual agreement by the parties, subject to a three-percent (3%) fee increase.

Staff has determined that renewal of the Master Agreement is in RIHousing’s best interest. MetaSource’s services and MetaSource’s proprietary software, MetaWorx, are deeply integrated into the services provided by RIHousing’s Loan Servicing and Homeownership divisions, such that a change in supplier would be disruptive across business functions. In addition, RIHousing’s Homeownership division has determined, based on an informal market survey, that the option for a 3% increase in fees would be more economical than re-competition through the RFP process.

C. RECOMMENDATION

The attached resolution authorizing RIHousing to renew the Master Agreement with MetaSource, LLC, is recommended for approval.

D. ATTACHMENTS

- A. Resolution of the Board of Commissioners of RIHousing

Attachment A

Resolution of the Board of Commissioners of Rhode Island Housing and Mortgage Finance Corporation

- Whereas:** Rhode Island Housing and Mortgage Finance Corporation's ("RIHousing's") enabling act provides it with all the power and authority to make and execute contracts necessary to exercise the powers and functions provided to it under the act (R.I. Gen. Laws §42-55-5(6)); and
- Whereas:** Staff of RIHousing has identified a need for residential mortgage post-closing due diligence services to support the business functions of its Homeownership and Loan Servicing Divisions; and
- Whereas:** In January 2021, RIHousing entered into a Master Agreement with MetaSource, LLC to provide various post-closing due diligence services; and
- Whereas:** Said Master Agreement expires on January 1, 2025, and contains a clause allowing the parties to mutually renew the Master Agreement for an additional two (2) years subject to a three-percent (3%) increase in fees; and
- Whereas:** Given the proprietary nature of the product to be provided and the economical term of the renewal, the Chief Purchasing Officer has granted her approval to enter into a multi-year contract renewal of the Master Agreement without requiring that the contract be re-competed through the RFP process.

NOW, THEREFORE, IT IS HEREBY:

- Resolved:** that RIHousing be, and hereby is, authorized to renew the Master Agreement with MetaSource, LLC, dated January 1, 2021, to provide residential mortgage post-closing due diligence services to support the business functions of its Homeownership and Loan Servicing Divisions;
- Resolved:** that such renewal term be for a two (2) year term beginning on January 1, 2025 and will increase the fees paid to MetaSource by no more than three percent (3%) above the fees set forth in the original Master Agreement.
- Resolved:** that the Executive Director, Deputy Executive Director, Chief Financial Officer, Chief Administrative Officer, Director of Homeownership, and Assistant Deputy Director of Loan Servicing, each acting singly, be and hereby are authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolutions, including without limitation the authority to negotiate the terms and fees of the engagement as they may determine are in the best interests of RIHousing, and to execute any and all agreements or documents as they deem necessary to carry out the foregoing and to take such further actions as they deem necessary to carry out the foregoing resolutions.