



**RHODE ISLAND HOUSING AND MORTGAGE FINANCING CORPORATION**  
**Homeownership Opportunity Bonds**  
**December 22, 2022**

**REQUEST FOR PROPOSALS (“RFP”) FOR  
STANDBY BOND PURCHASE AGREEMENTS AND/OR  
ALTERNATIVE VARIABLE RATE FINANCING STRUCTURES**

Rhode Island Housing and Mortgage Financing Corporation (RIHousing) is seeking proposals for one or more standby bond purchase agreements (a “Facility”) to support variable rate demand obligations and/or for alternative variable rate financing structures issued under RIHousing’s Homeownership Opportunity Bonds Resolution (HOB) or its Multi-Family Development Bonds Resolution (MFDB). RIHousing will request a fee commitment and credit approval from the successful Facility bidder (the “Provider” or “Providers”).

Facilities are requested in amounts up to \$100 million principal plus interest under RIHousing’s HOB and/or MFDB indentures, closing on or after January 1, 2023 (terms to be determined and subject to change). Bonds may be tax-exempt or taxable.

Please indicate if your firm is interested in remarketing a series for which the firm provides a Facility. If so, indicate the annual remarketing fee and include any offering or reoffering costs. Inability to remarket a series will not be used in evaluation of responses, though costs may be.

Key terms. Providers should note RIHousing’s following preferences:

- Facilities will have a term of at least 3 years;
- Term-out amortization of bank bonds begins at least 365/366 days after a draw;
- Minimum Facility Provider long term ratings of at least “A2” (Moody’s) and “A” (S&P) and short-term ratings of at least “P-1” (Moody’s) and “A-1” (S&P); and
- Willingness of Provider to support daily or weekly resets of bond interest rates

In addition to proposals for Facilities, RIHousing is interested in receiving proposals and related terms on alternate variable rate structures, such as Direct Purchase/Private Placements, Indexed Floating Rate Notes, or similar products (“FRNs”). If such a proposal is submitted, please provide relevant information such as requested on the Bid Response Form (attached).



Completed Bid Response Forms and/or FRN proposals must be received by e-mail no later than **5:00 on January 10<sup>th</sup>, 2023** by the individual listed below:

Kara Lachapelle, Chief financial Officer  
RIHousing  
Tel: 401-457-1170  
[klachapelle@rihousing.com](mailto:klachapelle@rihousing.com)

Please also provide a copy to:

Chuck Karimbakas, Managing Director  
cfX  
Tel: (617)-898-7216  
[Chuck.karimbakas@cfx.com](mailto:Chuck.karimbakas@cfx.com)

Questions:

If you have questions regarding this RFP, please contact Kara Lachapelle. Questions and responses will be shared with all recipients of this RFP.

Evaluation  
Criteria:

RIHousing will use a variety of criteria to evaluate the proposals. Such criteria may include proposed fees, flexibility of terms to RIHousing, renewal options, Provider ratings, relative trading valuations in the market, proposed length of the Facility, RIHousing's Facility diversification, demonstrated experience of the Provider, impact on rating agency stress runs, extent of credit approval at the time of submission, and remaining steps and time for final credit approval. RIHousing may award bid(s) based on proposal(s) RIHousing deems best in its sole discretion, which may not be the lowest bid.

Submission:

The following should be included with the submission:

Rating agency reports: short and long term

Bid Response Form (if offering a Facility or an FRN)

Alternative Structure Proposal (if proposing an FRN)

Please limit Alternative Structure Proposals to 4 pages, double spaced, font size 10 or larger. (Rating reports, Bid Response Forms, and cover letters are not part of the 4-page limit.)

Submission of a proposal is at the expense of the Provider. RIHousing may reject any and all responses to this RFP. Closing on a Facility is contingent upon the status of the applicable variable rate demand obligations. Closing also is contingent upon negotiation of satisfactory legal documents, including



enforceability opinions from Provider’s counsel and guarantor’s counsel (if any), acceptable to RIHousing and its counsel. Additionally, RIHousing may elect not to enter into a Facility. Under no circumstances (including the withdrawal of this RFP before or after bids are received) will any bidder have any recourse against the state of Rhode Island, RIHousing, or any member of the working group for any expenses incurred or damages sustained as a result of the bidding process.

Term of Credit Approval: Credit approval given in connection with this submission must remain in effect until October 1, 2023.

RIHousing: The RIHousing was created in 1973. As of June 30, 2022, the Agency had bonds outstanding with a principal balance of approximately \$1.7 billion. Bonds of the HOB and MFDB indentures are secured solely by funds and accounts of their respective resolutions. (Recent official statements available [here](#).)

Current Ratings:

Resolution	Moody’s	Standard & Poor’s	Fitch	Outstanding Parity Debt (as of 6/30/2022)
HOB	Aa1	AA+	NR	1,064,360,000
MFDB	Aa2	NR	NR	287,825,000

ADDITIONAL INFORMATION

Information available on RIHousing’s website at

<https://www.rihousingbonds.com/>



**RIHousing - Bid Response Form**

Provider Contact Information:	Bank Name  Primary Contact  Address  Telephone  Fax  Email						
<p><i>Proposal for Standby Bond Purchase Agreement</i></p>							
Provider Ratings:	<table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><u>Moody's</u></td> <td style="text-align: center;"><u>S&amp;P</u></td> <td style="text-align: center;"><u>Outlook/Watch</u></td> </tr> <tr> <td style="text-align: center;">LT / ST</td> <td style="text-align: center;">LT / ST</td> <td></td> </tr> </table> <p>Current</p> <p>Include any rating changes since January 1, 2019</p>	<u>Moody's</u>	<u>S&amp;P</u>	<u>Outlook/Watch</u>	LT / ST	LT / ST	
<u>Moody's</u>	<u>S&amp;P</u>	<u>Outlook/Watch</u>					
LT / ST	LT / ST						
<p>Are the above ratings based upon a guaranty, insurance, or other form of support from a different entity? If yes, please identify that entity and its relationship to the Provider.</p>							
Facility Maximum Commitment Amount:	Bond par amount of \$_____ plus interest coverage to meet rating requirements.						



<p>Facility Pricing (payable quarterly in arrears, in basis points) and Other Fees for first financing:</p>	<p><u>Facility Term</u> <u>Annual Facility Fee (based on Par plus Interest).</u>  (Please note fees for both tax-exempt and taxable Facilities, if different.)</p> <p>3 years</p> <p>5 years</p> <p>6 years</p> <p>7 years</p> <p>Other term</p> <p>Above pricing assumes day count of actual/actual</p> <p>Please indicate any changes to annual fees upon an upgrade or downgrade of the bonds. Also note any upfront fees, draw fees, amendment fees, bank counsel legal fees or any other fees that would apply.</p>
<p>Purchased Bonds under the Facility:</p>	<p>Please indicate the interest rate charged and relevant terms on any Purchased Bonds under the Facility.</p>
<p>Facility Term-Out Provisions:</p>	<p>Please indicate the specific term-out provisions, including the rate imposed during the term-out period, for the proposed Facility. The Agency prefers a minimum of five years for any term-out.</p>
<p>Existing Documents:</p>	<p>If the provider has existing credit facilities with RIHousing, please indicate if related terms would be acceptable under this proposal. Note the agreement.</p> <p>If no such facility is in place with RIHousing, please provide an acceptable example your firm would propose to use.</p>



<p>Other Terms and Conditions:</p>	<p>Please state any other conditions to your commitment to fund and any other terms or provisions under the proposed facility. The Agency reserves the right to negotiate any proposed conditions and covenants. If any conditions are not negotiable, the bank should indicate such provisions in its proposal.</p>
<p>Procedure for Facility Renewals or Extensions:</p>	<p>Please indicate if you are willing to permit renewals/extensions, for an additional year, on an annual basis and describe such procedures.</p>
<p>Credit Approval:</p>	<p>Please indicate if you have credit approval, and if not, if you will be able to meet financing timetable.</p>
<p>Bank Counsel:</p>	<p>Please indicate your choice of Bank Counsel (name, contact person, address, telephone, fax and email) and a not-to-exceed fee and expense estimate. If using an existing form of documents, indicate a not-to-exceed fee and expenses.</p> <p>The Agency reserves the right to reject the choice of Bank Counsel.</p>
<p>Bank Information:</p>	<p>If a Facility is selected, the Agency will need information relating to the Provider for inclusion in the POS/OS, together with certifications from the Provider and opinions from its counsel, in a form acceptable to the Agency, its bond counsel and its underwriters, as to the adequacy of disclosure relating to the Provider.</p>



*Proposal for Direct Placement of Tax-Exempt or Taxable FRNs*

FRN Maximum Commitment Amount:	Bond par amount of \$ _____																																				
Pricing of FRNs (in basis points) and Other Fees for first financing:	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>FRN Term</u></th> <th style="text-align: left;"><u>Index</u></th> <th style="text-align: left;"><u>Factor</u></th> <th style="text-align: left;"><u>Applicable</u></th> </tr> </thead> <tbody> <tr> <td colspan="4"><u>Spread</u></td> </tr> <tr> <td colspan="4">(Please note fees for both tax-exempt and taxable FRNs, if both are proposed.)</td> </tr> <tr> <td>3 years</td> <td></td> <td></td> <td></td> </tr> <tr> <td>5 years</td> <td></td> <td></td> <td></td> </tr> <tr> <td>7 years</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Other term</td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="4">For above pricing indicate assumed day count and interest payment frequency.</td> </tr> <tr> <td colspan="4">Please indicate any pricing adjustments based upon any rating upgrade or downgrade or other factors, upfront fees, bank counsel legal fees or any other fees that would apply.</td> </tr> </tbody> </table>	<u>FRN Term</u>	<u>Index</u>	<u>Factor</u>	<u>Applicable</u>	<u>Spread</u>				(Please note fees for both tax-exempt and taxable FRNs, if both are proposed.)				3 years				5 years				7 years				Other term				For above pricing indicate assumed day count and interest payment frequency.				Please indicate any pricing adjustments based upon any rating upgrade or downgrade or other factors, upfront fees, bank counsel legal fees or any other fees that would apply.			
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Redemption of FRNs:	Please indicate any restrictions on optional or special redemption provisions.																																				
Acceleration Provisions:	Please indicate any debt acceleration provisions.																																				



<p>Other Terms and Conditions:</p>	<p>Please state any other conditions to your commitment to fund and any other terms or provisions under the proposed direct placement.</p> <p>The Agency reserves the right to negotiate any proposed conditions and covenants. If any conditions are not negotiable, the Provider should indicate such provisions in its proposal.</p>
<p>Procedure for Extension:</p>	<p>Please indicate if you are willing to permit extensions, for an additional year, on an annual basis and describe such procedures.</p>
<p>Interest Rate Index:</p>	<p>Please indicate your proposed interest rate index.</p>
<p>Credit Approval:</p>	<p>Please indicate if you have credit approval, and if not, if you will be able to meet financing timetable.</p>
<p>Provider Counsel:</p>	<p>Please provide your choice as Provider counsel (name, contact person, address, telephone, fax and email) and not-to-exceed fee estimate.</p> <p>The Agency reserves the right to reject the choice of Provider counsel.</p>

Submitted by: \_\_\_\_\_

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Provider: \_\_\_\_\_