

**Request for Action
By
Board of Commissioners**

Approval of Engagement of Real Estate Tax Service Vendor

A. SUMMARY OF REQUEST

This Request for Action (“RFA”) is for the approval of the engagement of a real estate tax service vendor, namely LERETA, LLC.

B. DISCUSSION

The oversight and management of real estate tax reporting and payment processing is a complex and challenging process for mortgage loan servicers, as payment schedules vary widely amongst numerous taxing authorities and require ongoing monitoring. To streamline and automate these functions, RIHousing’s Loan Servicing Division utilizes the services of a real estate tax vendor.

On July 1, 2022 RIHousing issued a Request for Proposals (“RFP”) through which it sought proposals from qualified firms to provide real estate tax support for the agency’s mortgage loan servicing and subservicing portfolios. The RFP was posted on RIHousing’s website and the website for the State of Rhode Island’s Division of Purchases. It was also distributed to RIHousing’s RFP email distribution list and sent directly to vendors who perform this work. Two national vendors submitted responses to the RFP. The responses were reviewed and scored by a committee of staff members based on the criteria set forth in Attachment B, with LERETA, LLC (“LERETA”) receiving the highest score.

LERETA is RIHousing’s current real estate tax vendor. Staff find their customer applications to be user-friendly and have been satisfied with their performance of the services. Although the pricing proposed by CoreLogic Tax Solutions, Inc. (“CoreLogic”) (approximately \$70 per mortgage loan, plus additional fees depending upon the amount of the mortgage loan) is lower than the fee proposed by LERETA (ranging from \$98 to \$110 per mortgage loan), CoreLogic has also proposed a conversion fee for each loan (ranging from \$5 to \$15 per mortgage loan converted). The reengagement of LERETA would avoid this conversion and the incurrence of additional fees.

C. RECOMMENDATION

The attached resolution authorizing RIHousing to engage LERETA, LLC is recommended for approval.

D. ATTACHMENTS

- A. Resolution of the Board of Commissioners of RIHousing
- B. Scoring Matrix

Attachment A

Resolution of the Board of Commissioners of RIHousing 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: RIHousing has identified a need for a real estate tax service vendor; and

Whereas: RIHousing has solicited proposals pursuant to an open competitive process for vendors to provide real estate tax services and who are able to substantially meet the requirements associated with this set of functions; and

Whereas: A selection committee comprised of staff in RIHousing's Loan Servicing Division reviewed the proposals for these services, evaluated them pursuant to the criteria set forth in the Request for Proposals and determined that LERETA, LLC had submitted the highest-scoring proposal to RIHousing.

NOW, THEREFORE, IT IS HEREBY:

Resolved: that RIHousing be, and hereby is, authorized to enter into a contract with LERETA, LLC to provide real estate tax services as set forth in the Request for Proposals and the proposal submitted in response thereto;

Resolved: that such engagement shall be for a three (3) year term, with an option to renew the engagement for an additional one (1) year; and

Resolved: that the Executive Director, Chief Operating Officer, 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 he or she may determine are in the best interests of RIHousing, and to execute any and all agreements or documents as he or she deems necessary to carry out the foregoing and to take such further actions as he or she deems necessary to carry out the foregoing resolutions.

Attachment B

Scoring Matrix

<i>Evaluation and Selection Criteria</i>	<i>Maximum Score</i>	Lereta	Core Logic
		<i>Score</i>	<i>Score</i>
Professional Capacity to undertake the Scope of Work	18	18	17
Proposed fee structure	20	19	12
Evaluation of work plan for completing the Scope of Work	12	12	8
Ability to perform within time and budget constraints	15	14	11
Evaluation of proposed project approach	12	11	8
Recommendations by references	12	8	11
Firm minority status and affirmative action program or activities	11	0	10
TOTAL SCORE	100	81	75