



160 Federal Street
Boston, MA 02110

Massachusetts Housing Partnership (MHP) Request for Proposals (RFP) for Banking Services

Issue Date: May 7, 2025 **Due Date:** June 10, 2025

FOR MORE INFORMATION REGARDING THIS RFP

contact Mary Hembree, mhembree@mhp.net, 260-442-2116

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Proposer's Submittal Checklist

Proposals must be emailed by the time and date designated in the Request for Proposals (RFP). It is the responsibility of the Proposer to email the Proposal by the indicated deadline to the designated location. MHP is not responsible for late or mishandled delivery. It is the responsibility of the proposer to check for any addendums on MHP's website www.mhp.net/about-us/public-records-policies.

All Proposals must be received electronically in non-editable PDF format. If you do not receive a notification of receipt, contact Mary Hembree at mhembree@mhp.net or 260-442-2116.

The following will be considered responsive:

- ☐ Introductory Letter
- ☐ Proposal Requirements (page 6)
- ☐ Exhibit A Information Checklist (page 8)

REQUEST FOR PROPOSALS

Introduction

The Massachusetts Housing Partnership (MHP) is soliciting proposals from qualified and experienced banks or financial institutions (Respondent) to provide specialized escrow and reserve banking services. The purpose of this RFP is to identify a banking partner with expertise in escrow services and the ability to administer reserve accounts effectively and efficiently. This request for proposal contains background information on MHP and specific information that must be included in the proposals submitted. It shall adhere to the format shown in Exhibit A. MHP shall not be responsible for any expenses incurred by the Respondent in preparing and submitting a response. The scope of work for the services requested includes the following:

- Escrow Services
 - Detail Respondent's experience in managing escrow and reserve accounts.
 - Describe how the Respondent administers similar accounts for other clients.
 - Explain the methods Respondent uses for disbursement and withdrawal from multiple accounts simultaneously.
 - Describe website access that will be utilized for transactions and the ability to access current balances, activity, and monthly statements.
- Account Ownership and Control
 - All borrower reserve accounts will be in the borrower's name and tax ID. Approximately ninety-five individual accounts along with an MHP Disbursement account.
 - MHP will have exclusive control over all account activity, with no access granted to the borrower.
- Interest Rate Reporting
 - Respondent to provide the current interest rate that the reserve accounts will be earning.

- Customer Support
 - Availability of customer service.
 - Responsiveness to inquiries.

Background and scope of operations

The Massachusetts Housing Partnership (MHP) is a statewide public non-profit affordable housing organization that works in concert with the Governor and the Executive Office of Housing and Livable Communities to help increase the supply of affordable housing in Massachusetts.

MHP was established in 1985 to increase the state's overall rate of housing production and work with cities and towns to demonstrate new and better ways of meeting our need for affordable housing. In 1990, the state legislature took that premise to heart, becoming the first and only state in the nation to pass an interstate banking act that requires companies that acquire Massachusetts banks to make funds available to MHP for affordable housing.

MHP supports its mission in four principal areas:

- Rental Financing – MHP provides long-term financing for affordable rental housing and has provided \$2.2 billion in loans and commitments for multi-family rental housing. MHP has used funds from the banking industry to provide these loans since 1990 and has financed more than 33,000 apartments over its lending history.
- Homeownership - MHP offers the ONE Mortgage Program, a first-time homebuyer program for low- and moderate-income borrowers. ONE Mortgage and our new programs ONE+ and MassDREAMS programs have helped more than 22,500 families purchase their first home with over \$4.9 billion in below market private financing.
- Community Assistance - MHP's Community Assistance team helps communities build affordable housing and has provided technical assistance in over 330 Massachusetts communities.
- Policy and Leadership – MHP's Center for Housing Data provides support and leadership in finding solutions to the housing problem statewide.

As of March 30, 2025, MHP's total assets are approximately \$750 million and employs seventy full-time people. MHP's most recent audit for the years ended June 30, 2024, and 2023 is included with this RFP. MHP was rated by S&P Global and assigned an A+ issuer credit rating (ICR), the most recent ratings report is included with this RFP. The S&P rating was issued in July 2024, based on the June 30, 2023, audited financials.

MHP's seven-member Board of Directors is appointed by the Governor and includes the Secretary of Administration & Finance (or designee), the Secretary of the Executive Office of Housing & Livable Communities (EOHLC) (or designee), two members appointed by the Governor from recommendations by the Massachusetts Bankers Association and three additional designees. We invite you to learn more about MHP by visiting our website at www.mhp.net.

Submittal information

Proposals should be emailed to Mary Hembree, mhembree@mhp.net and David Oteri, doteri@mhp.net. Dave is MHP's Chief Accountant & Treasury Manager.

RFP Schedule, selection process, timetable, and deliverables

MHP anticipates the following timeline for receiving and evaluating proposals. The timeline may be changed if it is in MHP's best interest to do so.

1. RFP issued, May 7, 2025.
2. We ask that you respond to and provide specific information described in the **Proposal Requirements** relating to your bank or financial institution and your proposed team (reference checklist in Exhibit A).
3. Due Date for Questions:
4. Provide this information by email no later than **June 10, 2025**. Access to key MHP staff will be provided.
5. MHP will review the materials submitted and select banks or financial institutions who will be invited to meet with the MHP selection team. Banks or financial institutions not invited will be advised in writing by email.
6. MHP will evaluate proposals on a qualitative basis. This includes review of the bank or financial institution's response to this RFP and related materials, results of discussions with other respondents, and the bank or financial institution's completeness of the response.

Key Personnel

Information requests regarding this invitation should be directed to Dave Oteri, MHP's Chief Accountant & Treasury Manager, or to Mary Hembree, mhembree@mhp.net. Dave Oteri, 617-962-1944, or doteri@mhp.net.

Following is a list of key persons who will be involved in this process:

Charleen Tyson	Chief Financial and Administrative Officer
Dave Oteri	Chief Accountant and Treasury Manager
Karen English	Director of Finance

PROPOSAL REQUIREMENTS

Introductory Letter

- a. Bank or financial institution's name, address, name and telephone number of a contact person, and the date of the proposal.

Experience and Expertise

- a. Describe the Respondent's experience in providing escrow and reserve banking services.
- b. Proven record in administering similar accounts for other clients.

Account Control

- a. Ability to ensure the Client's exclusive control over account activity.

Interest Rate

- a. Competitiveness of the interest rate offered.

Methods for Disbursement and Withdrawal

- a. The effectiveness and efficiency of the methods employed for simultaneous disbursement and withdrawal, including detail on website applications that will be utilized.

Minimum Qualifications

Banking or financial institutions wishing to submit a response to this RFP must:

- a. Be a state or federally chartered banking institution or financial institution with a local presence within the Commonwealth of Massachusetts, throughout the term of the contract.
- b. Be insured by the Federal Deposit Insurance Corporation (FDIC).
- c. Be a member of the Federal Reserve System and have access to all related services.
- d. Be a full-service financial institution in good standing among comparable financial institutions.
- e. Have a secure, online, web-based reporting system.
- f. Demonstrate appropriate experience servicing customers with similar account attributes and transaction volume as described herein.
- g. Have sufficient collateral available to pledge in accordance with banking regulations.

Banking Services Contact

The successful banking or financial institution must designate one or more senior staff person(s) who will serve as MHP's principal contact for purposes of questions and problem resolution throughout the life of the contract, for all accounts and services.

Rights Reserved

MHP reserves the right to accept or reject any or all proposals, cancel all or part of this RFP, and waive any nonmaterial irregularities or informalities and to request additional information from proposing institutions. All responses, data, materials, information, and documentation submitted in response to this RFP shall become the property of MHP and may be subject to disclosure under public records law. Respondents are encouraged to mark any proprietary or confidential information; accordingly, however, final determination of disclosure will be made in accordance with the law.

APPENDICES

Massachusetts Housing Partnership Board of Directors

<https://www.mhp.net/about-us/board-of-directors>

Massachusetts Housing Partnership, www.mhp.net

EXHIBIT A

- I. Proposal Contact Person Name
- II. Proposal Contact Person Number
- III. Proposal Contact Person Email
- IV. Proposal Date
- V. Name of Banking or Lending Institution
- VI. Address of Headquarters
- VII. Address of Local Office/Branch
- VIII. Date Institution Chartered
- IX. State where Chartered
- X. Introductory Letter
- XI. Statement that Bank or Lending Institution Meets the Minimum Qualifications
- XII. Identify the institution's principal staff members who will be involved in providing services to MHP.
- XIII. Describe your experience with government, quasi-public and nonprofit agencies, and organizations.
- XIV. Provide a description of how MHP would rank relative to other customers of the bank or lending institutions in relationship to size and complexity of service.
- XV. Describe the transition plan for migration of accounts.
- XVI. Explain your fee structure and minimum balance requirements.
- XVII. Describe how the banking or financial institution measures and evaluates quality of service. If done, what were the results of the most recent evaluation? Describe how the banking institution intends to provide consistently high quality of service to MHP and what measures will be taken if the level of service falls below most recent evaluations.
- XVIII. Describe your disaster recovery plan and how customers' records would be protected/recovered.
- XIX. Describe the impact that any pending mergers or acquisitions may have on your proposal.
- XX. What security measures are in place to minimize the risk of unauthorized transactions?
 1. Include your data privacy or encryption standards.
 2. Fraud detection policies and procedures
- XXI. Provide at least three references for customers using comparable services.