



Frequently Asked Questions (FAQ)

LOUISIANA HOUSING CORPORATION (LHC)

Requests for Proposals for Program Loan Servicer

(As of 04/29/2016)

1. Please confirm if the proposal submission deadline is June 1st (see cover page and paragraph II-A) or May 18th (see Paragraph I-C – Important Dates and Deadlines).

The submission deadline date is Wednesday, June 1, 2016.

2. Please identify the loan servicing system being used to service these 82 assets currently.

The 82 loans are currently being serviced by a third party vendor.

3. Please confirm if any new loans will be added to the portfolio to be subserviced and provide monthly estimates of this new loan volume.

It is anticipated but not guaranteed that additional loans will be added, but the Corporation cannot project new loan volume.

4. Please confirm if any real estate tax monitoring contracts are in place for the existing 82 loans.

No real estate tax monitoring contracts are in place for the existing 82 loans.

5. Paragraph VI-F: Use of Subcontractors - this paragraph states that “No proposals involving subcontractors, joint proposals, or joint ventures will be accepted”. It is standard practice in the mortgage industry that servicers rely on various subcontractors to perform specialized functions including, but not limited to, data processing, lockbox processing, check processing and clearing, printing and mailing, tax tracking and disbursement, insurance tracking and lender placement, default legal work and property preservation and maintenance, among others. Please confirm that a subservicing proposal based on this structure including these various subcontractors would be acceptable.

The examples set forth are acceptable.

6. Please confirm if standard portfolio reports including trial balance, remittance and delinquency reports are acceptable or provide specifications and samples of any customized reports and/or data files that are required, e.g. “remittance manifest as referred to in Paragraph III-B.

Yes, standard portfolio reports including trial balance, remittance, delinquency, annual history, interest paid and other reports will be required as needed.

7. Please provide a sample of the annual affidavit that must be sent to property owners as referred to in III - B - Loan Servicing, section g. What specific follow-up steps are required by the subservicer for borrowers who do not return these completed affidavits?

The intent of the annual certification is to insure that borrowers are occupying the property as their primary residence. The selected servicer is expected to produce their affidavit to meet such requirements. If borrowers do not comply, selected servicer should have policies and procedures in place to follow up and report to the Corporation.