

REQUEST FOR PROPOSALS

TO SERVE AS

FINANCIAL ADVISOR

Missouri Housing Development Commission



Response Deadline:

5 bound copies and 1 electronic copy on CD-ROM to MHDC
not later than 12:00 PM (Central time) on May 27, 2009

Submit Proposals to:

Marilyn Lappin, Director of Finance
Missouri Housing Development Commission
3435 Broadway
Kansas City, Missouri 64111
Phone: 816-759-6682

REQUEST FOR PROPOSALS
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FINANCIAL ADVISOR

INTRODUCTION

Purpose: The Missouri Housing Development Commission (MHDC) is seeking proposals for financial advisory services.

Term of Service: It is expected that the firm(s) selected pursuant to this Request for Proposals (RFP) will serve as Financial Advisor for a minimum of five years. Any transaction initiated prior to the ending date of the term of service, for which a material amount of time or expense has been incurred, will be completed by the financial advisor although the closing might occur following the end of the five year term of service. MHDC reserves the right, at its sole discretion, to terminate the agreement with any firm selected pursuant to this RFP prior to the expiration of the five year period, or to extend the agreement (with the concurrence of the firm selected) for a period up to one additional year.

Distribution of RFP. The RFP is available from MHDC in hard copy by U.S. mail or electronically at www.mhdc.com.

Anticipated Timetable

Release RFP	April 24, 2009
Proposals Due	May 27, 2009
Evaluation Committee Recommendation	June 12, 2009
Selection by Board of Commissioners	June 19, 2009

SCOPE OF SERVICES

The Financial Advisor(s) selected will be responsible for providing the following services:

1. Aggressively pursue trends and creative ideas for financing and regularly apprise MHDC of this information.
2. Submit recommendations regarding the feasibility of any financing plan, bond structure, or other idea that might further MHDC's purpose.
3. At the request of MHDC, testify before any legislative body in connection with MHDC's activities.

4. At the request of MHDC, consult with parties assisting MHDC in furthering its mission, including potential investors requesting information about MHDC's bonds, notes or other financial data.
5. In the case of a competitive sale of bonds, provide for the distribution of the "Notice of Sale" and other financing documents to interested purchasers, and in the case of a negotiated sale, represent MHDC in negotiating the terms of the sale.
6. Attend regularly scheduled meetings of the Board of Commissioners of MHDC and, as requested, other meetings relating to MHDC's financial activities. Be available to offer advice on various financing proposals, as requested.
7. Work with MHDC's Bond Counsel to review and revise, as needed, Official Statements and other documents required for all financial transactions.
8. Maintain responsibility for the cash flow analysis and yield calculations required for each bond issue, and act as primary point of contact with the bond rating agency for this information.
9. Provide periodic analyses of MHDC's financial status, including the ability of MHDC, at a point in time, to loan or grant funds from MHDC's reserves to further affordable housing in the state of Missouri.
10. Furnish such other financial advisory services as requested by MHDC.

PROPOSAL SUBMISSION

If your firm is interested in providing financial advisory services to MHDC, please submit the following information.

1. Name and address of firm.
2. Contact Person and Staffing. Provide the name, telephone number, fax number, and email address of the primary contact person regarding your firm's proposal. List personnel that would be assigned to perform the services required. Please attach relevant resumes or give brief descriptions of the tax-exempt and taxable housing finance experience of the personnel that would be responsible for this account.
3. HFA Clients. List all state and local Housing Finance Agencies which your firm has represented as Financial Advisor, and term of service with each.

4. Bond Issues. List bond issues for which your firm has acted as Financial Advisor since January 1, 2004:
 - a. Name of Issuer;
 - b. Dollar Amount of issue and status as competitive or negotiated;
 - c. Type of housing issue (single family or multifamily, FHA-insured, etc.);
 - d. If other than housing issue, purpose of issue.

5. Computer Analytical Capability. Describe your firm's in-house computer capability with respect to yield calculation and cash flow verification for both single family and multifamily mortgage revenue bond issues.

6. Other Firms and/or Minority Representation. Describe any relationships that you have with other firms regarding proposed co-financial advisor relationships and/or fee splitting arrangements, including the involvement of any minority or woman-owned firms that would assist in any capacity with financial advisory services to be provided to MHDC. Indicate your firm's proposed arrangement with these firms. Indicate if this would include a joint venture with a minority or woman-owned firm through a third party contract for any portion of the services. If none are described, confirm that your firm will provide all services described above without the involvement or assistance of any other firm or financial advisor.

7. Proposed Fees. State a fee schedule upon which your firm would base its charges to MHDC. Use the following examples:
 - \$50 million single family mortgage revenue bond transaction;
 - \$80 million single family mortgage revenue bond transaction;
 - \$2 million multifamily housing revenue bond transaction; and
 - \$15 million multifamily housing revenue bond transaction

Please indicate if separate fees would be charged (i) for the services in connection with a note or bond issue which is not successfully sold; (ii) for services performed under "Scope of Services" not directly related to a note or bond issue; (iii) for cash flow analysis or yield calculation for a particular bond issue; or (iv) for the private placement of a bond issue arranged by the financial advisor. Also state whether any additional compensation would be paid to the financial advisor for expenses incurred in performing the services indicated. If a retainer is to be included or to be an option, so state.

8. RFP Interview. Would a member of the firm, preferably the person(s) who would be responsible for the account, be willing to travel at the firm's expense, for an interview with MHDC staff?

9. Litigation and Investigations. Provide a summary of inquiries, investigations and litigations occurring during the past three years (including those in progress) regarding the conduct of your firm, your firm's management, or any employee or official associated with your firm. Describe any related actions taken against your

firm or employees by any federal, state, or municipal governmental entity or court or regulatory authority, including fines, suspensions, censure, etc.

10. State any other relevant information which you believe would be important in evaluating your firm's proposal.
11. Undocumented Workers. All respondents to this RFP shall provide MHDC with an affidavit stating that the respondent does not employ any person who is an unauthorized alien in conjunction with the contracted services and that the respondent is enrolled in and participating in a federal work authorization program with respect to the employees working in connection with the contracted services. This affidavit shall be updated and executed again at the time the engagement of the selected respondent is memorialized in a contract. Questions regarding this requirement may directed to the Commission's General Counsel, Bramwell Higgins by phone at 816-759-6870 or email at bhiggins@mhdc.com.

RFP REVIEW AND SELECTION CRITERIA

Proposals will be evaluated on a variety of factors, including:

1. The firm's willingness to follow the guidelines in this RFP
2. Experience and qualifications of both the firm and the staff to be assigned to these financings, as evidenced by formal training; education; appropriate professional experience
3. Firm's ability to provide the required services on a timely basis in light of the anticipated workload, and the availability of adequate personnel, equipment and facilities of the firm
4. The firm's experience during the past five years as financial advisors on various housing and mortgage revenue bond financings or other housing transactions
5. The firm's expertise in the areas of cash flow and yield calculations, financial modeling and analytical capabilities
6. Involvement and accessibility of staff to be assigned to MHDC
7. Organization, size and structure of firm
8. Projected costs and proposed fee structure for services performed
9. The firm's inclusion of minority and women participation, including the firm's employees and/or any participation with a minority or woman-owned financial advisory firm
10. The firm's response to other questions contained in this RFP

Respondents must submit 5 copies of their proposal in printed bound form, along with one electronic copy on a CD-ROM, to MHDC for receipt not later than 12:00 PM (Central time) on Wednesday, May 27, 2009. Proposals must address, in sequence, all aforementioned information requested.

If you desire additional information or clarification, or would like to visit MHDC's Kansas City offices to review our previous financings before submitting your proposal, you may contact Marilyn Lappin, Director of Finance by phone at 816-759-6682 or email at mlappin@mhdc.com or Pete Ramsel, Executive Director by phone at 816-759-6656 or email at pramsel@mhdc.com.

Contact with Commissioners and Staff. Prior to the final selection, MHDC reserves the right to contact any or all respondents by phone or email as may be necessary and appropriate to clarify certain information provided by the respondent in the proposal.

Please refer to MHDC's "Standards of Conduct" for information regarding contact with MHDC Commissioners or staff pertinent to this proposal. MHDC's "Standards of Conduct" are available on MHDC's website at www.mhdc.com.

Review and Selection Process. All proposals will be reviewed by staff, who will develop consensus recommendations and will present those recommendations to the MHDC Board of Commissioners for consideration and selection at the June 19, 2009 meeting. MHDC may, but is not required to, request one or more respondents to make an oral presentation at that meeting.

Expenses Relating to Proposals. MHDC shall not be liable for any expenses incurred by respondents in replying to this Request.

Rejection and Negotiation. MHDC reserves the right to reject any or all proposals, to request additional information, or to negotiate the terms of the agreement with the selected respondent(s). The Financial Advisor Services Agreement will be awarded to the firm(s) which, in the opinion of MHDC, are the best qualified to provide such services.

Firms responding to this RFP should be aware that the Proposals are public records under state law after the evaluation and selection process has been completed.