

**Request for Qualifications for**  
**REAL ESTATE MARKET STUDY SERVICES**  
**Required by**  
**MISSOURI HOUSING DEVELOPMENT COMMISSION**



*Strength, Dignity, Quality of Life*  
**MISSOURI HOUSING**  

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**DEVELOPMENT COMMISSION**

**RESPONSES DUE:**

**Friday, May 23, 2014 by 4:30 P.M. Central Time**

## **SECTION I: INTRODUCTORY INFORMATION**

### **Missouri Housing Development Commission:**

The Missouri Housing Development Commission (“MHDC” or the “Commission”) is a governmental instrumentality of the state of Missouri and a body corporate and politic. In 1969, the 75th General Assembly of Missouri, in the face of a general housing shortage severely affecting low and moderate income persons, established the Commission in order to increase the availability of decent, safe and sanitary housing at prices within the means of low and moderate income persons. The Commission’s authority is derived from Chapter 215 of the Revised Statutes of Missouri, as amended and supplemented. Chapter 215 provides general information about the Commission and is available on-line at [www.moga.mo.gov/statutes/c215.htm](http://www.moga.mo.gov/statutes/c215.htm). Further information about the Commission and its programs is available on the Commission’s website at [www.mhdc.com](http://www.mhdc.com).

Through its rental production department, the Commission administers a variety of state and federal funding sources to finance the construction and rehabilitation of affordable rental housing for low-income Missourians. Funding is made available through a combination of issuing tax credits and tax-exempt bonds, providing grants, and making low-interest loans. Sources include the Federal Low Income Housing Tax Credits, Missouri Low Income Housing Tax Credit, HOME Investment Partnership Program, federal Risk-Share insurance, and Affordable Housing Assistance Program, as well as the Commission’s own general fund balances. The Commission’s rental production activities are governed by the laws and regulations of each particular funding source as well as Commission policy.

### **Purpose of RFQ:**

The purpose of this Request for Qualifications (“RFQ”) is to obtain statements of qualifications and work samples (each a “Proposal” and collectively the “Proposals”) from firms with expertise in market research and analysis to measure demand for multifamily rental properties. The Responses will be used to identify and retain a pool or list of qualified market study firms to serve the Commission’s needs for determination of market demand for existing and proposed multifamily properties in Missouri. Such properties either have been approved for financing or are under consideration for financial assistance through various federal and state subsidy programs. This RFQ is the means for prospective market study service providers to submit their qualifications to be considered for inclusion in the Commission’s qualified market study firm pool. Firms currently

on the list of acceptable market analysts will need to reapply.

**Scope of Services:**

The Commission is seeking to create a pool (or list) of market analysts qualified to perform one or more market studies relating to the Low Income Housing Tax Credit program. Section 42 of the IRS Code requires a comprehensive market study to be developed by a disinterested third party with no identity of interest to the developer or other parties related to the transaction. MHDC uses such a study as part of the underwriting process.

If selected, future market studies developed by your firm are expected to conform to MHDC's most current Market Study Guidelines posted on MHDC's web page (currently the 2015 Market Study Guidelines at the time of the issuance of this RFQ) at the time such study is conducted. Respondents should be aware that developers (not MHDC) engage the market analyst for proposed developments, and that MHDC will be shown as an intended user in the report.

Developers select a market study firm either through personal knowledge, referral, or by selecting an analyst from a list provided on the MHDC web page. The respondents selected from this RFQ will replace the list currently in use.

Developers, not the analyst, will submit each completed market study to MHDC, along with other materials, in accordance with the Developer's Guide, which is also posted on the MHDC web page.

*Please Note: While MHDC's most current market study guidelines are technically the 2015 Market Study Guidelines, any sample market study submitted as part of the response to this RFQ may utilize MHDC's guidelines in effect for the 2014 submission round.*

A market study may be requested by the developer for proposed construction or for existing improvements to be rehabilitated. As detailed in MHDC's Market Study Guidelines to be in effect for the 2015 submission round, studies may be developed by either a certified appraiser or by a non-appraiser whose firm specializes in the development of market studies for the Low Income Housing Tax Credit program. The market study may be required for general lending purposes or for meeting the standards of specific government loan programs. At a minimum, (and based on MHDC's Market Study Guidelines to be in effect for the 2015 submission round) the appraiser/analyst will be asked to provide

the following information in each report (provided, however, that any and all such requirements are subject to change should MHDC modify its Market Study Guidelines during the time the Respondents selected hereunder are listed as approved market analysts):

- ✓ What the achievable restricted rent is per unit type
- ✓ What the achievable market rent is per unit type
- ✓ If the market supports the developer's projected restricted rent estimates, or not
- ✓ If there are sufficient households at these rent levels to make the project viable, or not
- ✓ The point in time when the property is expected to reach stabilization
- ✓ If there are any risks to these projections

In addition, MHDC considers the development of a rent opinion to be an appraisal. If the future work is created by a certified appraiser the market study development and reporting must conform to Standards I and II of the edition of the Uniform Standards of Professional Appraisal Practice (USPAP) in effect at the time of the market study development.

If the study is developed by a firm that does not have a certified appraiser on staff, or otherwise offer appraisal services, then compliance with USPAP is recommended but not required.

The study must identify the Missouri Housing Development Commission (MHDC) as an intended user of the report.

A detailed explanation of the minimum required contents of a market study prepared for MHDC's use is contained in MHDC's Market Study Guidelines to be in effect for the 2015 submission round, found on the MHDC web page.

**Term of Service:**

It is anticipated that the selected firms will be listed by the Commission for three years commencing June 13, 2014 (ending June 14, 2017).

**MHDC reserves the right, at its sole discretion, to end the term of service for any firm selected pursuant to this RFQ, at**

**any time prior to the expiration of the stated term of service. This right reserved to MHDC to remove a firm is a unilateral right in the sole discretion of MHDC and may be undertaken at any time with or without cause. Selection of a firm to be added at such time may be made from among respondents to this RFQ (each a “Respondent” and collectively the “Respondents”) or pursuant to such other selection process as MHDC shall determine at that time.**

**In addition, MHDC may exercise one or more of the following rights and options regarding this RFQ:**

1. Reject any and all Proposals.
2. Seek additional Proposals.
3. Enter into negotiations and subsequently contract with more than one Respondent.
4. To select the successful Respondent on the basis of the Proposal meeting requirements established by MHDC and not necessarily the lowest price.
5. Choose not to award any Agreement and Contract.
6. Add to, delete, modify or enlarge this RFP, including any specifications and/or statement of work, the proposed contract, the terms and conditions, and any subsequently executed Agreement and Contract, and acknowledges an attendant and corresponding adjustment in the bid price.
7. Modify the terms and conditions of any proposed or executed Agreement and Contract prior to execution.
8. Cancel or withdraw this RFP without the substitution of another RFP, or alter the terms and conditions of this RFP.
9. Conduct credit checks and investigations as to the qualifications of each Respondent at any time prior to the award of a resultant agreement.
10. Extend deadlines or otherwise modify the required schedule (within reason) at its sole discretion.

**Submission of Proposal:**

For this submission, provide one hard copy of the Response, plus one electronic copy of the response on a CD. In addition, provide one color hard copy of a market study work sample developed by the Respondent on a LIHTC property, preferably located in the Midwest, dated within the past three years (no earlier than April 15, 2011). Also, put a searchable PDF copy (or similar format) of the sample work on the CD disk. The responses must be submitted by the Response Due Date (May 23, 2014):

Missouri Housing Development Commission  
3435 Broadway  
Kansas City, Missouri 64111  
Attn: Mark E. Boettcher, MAI

Each Proposal shall include all information required by this RFQ and must be delivered (personally, or via U.S. Postal Service, Fed Ex, UPS, etc.) in printed bound form, along with one electronic copy on a CD-ROM, in a sealed envelope marked "Proposal to Provide Real Estate Market Study Services to MHDC".

**The envelope shall be marked with the name of the firm submitting the Proposal. (Neither faxed copies nor electronic submissions will be accepted.)**

**Proposal Due Date: Monday May 23, 2014 by 4:30 P.M. Central time**

**Anticipated Timetable for RFQ and Proposals:**

RFQ Release	Wednesday April 23, 2014
Proposals Due	Friday, May 23, 2014
Committee Recommendation by	Friday, June 6, 2014

## **SECTION II: PROCEDURES AND INSTRUCTIONS**

**Questions:** Questions regarding this RFQ should be directed to the Commission in writing by mail or electronic mail, as follows:

Mark E. Boettcher, MAI  
Missouri Housing Development Commission  
3435 Broadway, Kansas City, Missouri 64111  
(816)759-6664 (phone)  
mboettcher@mhdc.com

### **Notice Regarding Distribution of Questions and Answers**

NOTICE: For the purpose of transparency and in an effort to prevent any real or perceived unfair advantage, all questions or requests for additional information submitted to MHDC regarding this RFQ and the corresponding answers will be published on MHDC's website or otherwise made available to all Respondents.

### **Standards of Conduct:**

This RFQ is considered a "Competitive Matter" as that term is defined in the Commission's "Standards of Conduct" Policy (the "Standards of Conduct"). Further, every Respondent, including, but not limited to, their respective principals, key employees and agents acting on their behalf are considered "Interested Parties" (as defined in the Standards of Conduct). As a result, every Respondent (including, but not limited to, its principals, key employees and agents) under this RFQ is obligated to abide by the rules and restrictions imposed by the Standards of Conduct, including the rules governing contact with Commissioners and MHDC employees. The failure of any Respondent to abide by the rules and restrictions established by the Standards of Conduct may result in the disqualification of that Respondent's Response. Therefore, you are strongly encouraged to review and familiarize yourself with the Standards of Conduct. The Standards of Conduct is available on MHDC's website at [www.mhdc.com/about/commission/policies/standards\\_of\\_conduct.htm](http://www.mhdc.com/about/commission/policies/standards_of_conduct.htm).

Furthermore, pursuant to the Standards of Conduct, any Response under this RFQ shall disclose the name of the individual, entity and/or entities having ownership interests in the Respondent. All entities identified in this disclosure shall be reduced to their human being level irrespective of the number of entity layers which may be present for any disclosed entity. Notwithstanding the previous sentence, to the extent any Respondent under this RFQ is a publicly traded corporation, such a Respondent may limit this disclosure to all board members, officers (and other key employees) and any shareholders owning or controlling ten percent (10%) or more of the corporation. Questions

regarding this requirement or any other requirements or restrictions imposed by the Standards of Conduct may be directed to the Commission's General Counsel, Weylin Watson, by phone at 816-759-6624 or email at [wwatson@mhdc.com](mailto:wwatson@mhdc.com).

**Modifications to Proposals:** No Respondent may modify or correct its Proposal any time after the Proposal Due Date, except in direct response to a request from the Commission for clarification.

**Revisions to this RFQ:** In the event that it becomes necessary to revise any part of the RFQ, the Commission will provide an addendum to each firm receiving this RFQ. Any additional information required to clarify portions of this RFQ will be issued in the form of an addendum.

**Expense of Preparation of Proposals:** The Commission is not responsible for any expense incurred in preparing and submitting a Proposal, or taking any action in connection with the selection process, or for the costs of any services performed in connection with submission of a Proposal.

**Reservation of Rights:** The Commission reserves the right to conduct any investigation of the qualifications of any firm that it deems appropriate; negotiate modifications to any of the items proposed in the Proposal; request additional information from any firm; reject any or all Proposals; and waive any irregularities in any Proposal.

The engagement described in this RFQ is not exclusive and MHDC expressly retains the right at any time to retain any other firm or firms to provide other market study services without violating the engagement contemplated by this RFQ.

**Public Records:** Firms responding to this RFQ should be aware that the Proposals are public records in accordance with state law, after the evaluation and selection process is completed.

**Visits and Interviews** All firms responding to this RFQ must be prepared to schedule a visit to its offices or to another location upon request by the Commission. In addition, firms responding to this RFQ may be interviewed by the Market Study Committee as a part of the selection process.

### **SECTION III: STRUCTURE OF PROPOSAL**

- A. Each Proposal shall include a transmittal letter signed by an authorized representative of the firm. In the transmittal letter the firm shall certify (i) that no elected or appointed official or employee of the Commission is financially interested, directly or indirectly, in the performance of the services specified in the RFQ, (ii) that the information included in the Proposal is true and correct to



the best of its knowledge and (iii) that the person signing the transmittal letter is authorized to execute the Proposal on behalf of the firm.

- B. Proposals should be organized in the same manner as the individual information request contained in **Section V: Proposal Details**. Responses to each numbered question shall begin on a separate page (e.g., answers to Question 2 should begin on a separate page from the response to Question 1).
- C. The Commission desires to consider Proposals in a consistent and easily comparable format as established in this RFQ. Proposals not organized as set forth in this RFQ may, at the Commission's discretion, be considered unresponsive. Do not refer to other parts of your Proposal in lieu of answering a specific question. Do not provide references to filings or forms publicly available, including on the firm's website or in publicly available sources, in lieu of providing specific information in the Proposal.
- D. Exhibits containing additional information may be attached to provide a more detailed response to a question, but only if clearly identifiable as a response to a specific question.

## **SECTION IV: MINIMUM QUALIFICATIONS OF RESPONDENT**

- A. The Respondent must:
- 1) If not certified as an appraiser in the State of Missouri, have the capacity to be granted a temporary license by the Missouri Real Estate Appraiser's Commission.
  - 2) Have the ability to write a report that, at a minimum, clearly shows the methodology used to arrive at intermediate and final conclusions and follow the MHDC market study guidelines.
  - 3) Not have any violations of record with the Appraisal Subcommittee (ASC) of the Federal Financial Institutions Examination Council 2008, if acting as an appraiser.
  - 4) Be able to work under tight deadlines.
  - 5) Have substantial knowledge and experience with the Low Income Housing Tax Credit program.
  - 6) Have the ability to provide independent opinions.

## **SECTION V: PROPOSAL DETAILS**

Firms responding to this RFQ should prepare clear and complete responses to each of the following questions and information requests. Brevity and clarity of responses will be appreciated.

1. **Profile of the Firm.** Describe your firm and its areas of expertise. State whether your firm is local, regional or national. (Smaller firms and WBE/MBE firms are encouraged to respond to this RFQ). Give the location of the office from which the work is to be performed and the number of partners, managers, supervisors, and other professional staff employed at that office. Describe how your firm meets the minimum qualifications listed in Section IV.

Pursuant to the Standards of Conduct, any Response under this RFQ shall disclose the name of the individual, entity and/or entities having ownership interests in the Respondent. All entities identified in this disclosure shall be reduced to their human being level irrespective of the number of entity layers which may be present for any disclosed entity. Notwithstanding the previous sentence, to the extent any Respondent under this RFQ is a publicly traded corporation, such a Respondent may limit this disclosure to all board members, officers (and other key employees) and any shareholders owning or controlling ten percent (10%) or more of the corporation. Questions regarding this requirement or any other requirements or restrictions imposed by the Standards of

Conduct may be directed to the Commission's General Counsel, Weylin Watson, by phone at 816-759-6624 or email at [wwatson@mhdc.com](mailto:wwatson@mhdc.com).

2. Contact Person and Staffing. Provide the name, address, phone number, fax number and email address of the primary contact person of the Respondent. Identify the key personnel to be assigned the Commission's engagement, including supervisory personnel. Resumes for each supervisory person to be assigned to the appraisal should be included, and specific experience should be indicated. The resumes may be included as an appendix. Describe your policy regarding notification of changes in key engagement personnel and expectations regarding staff continuity.
3. Market Study and Analysis Services. Clearly describe your firm's approach to conducting real estate market studies and analysis. Discuss the firm's philosophy of being engaged by a developer and having MHDC as an intended user.
4. Geographic Reach. State what regions in the State of Missouri your firm can competently develop real estate market study and analysis services.
5. Qualifications and Experience. Describe your relevant work with financial institutions, real estate, other housing finance agencies and government organizations for which market studies have been developed.
6. Litigation, Investigations and Regulatory Proceedings. Describe any pending investigation, litigation, recent settlements or regulatory sanctions in performing market studies and analysis services since 2009. Give sufficient detail for evaluation.
7. References. Provide the names, contact person(s) and phone numbers for at least three client references for which multifamily appraisals have been developed within the past 12 months (April 15, 2013 to April 14, 2014).
8. Special Strengths. Describe any special strengths or capabilities of your firm. Give any additional information considered essential to this proposal, including involvement in state and local government organizations, seminars, special services offered, etc. Publications of your firm, such as directories, articles, and lists of clients may be included but should not be voluminous. As may be applicable, describe the firm's status as a minority or woman-owned firm (MBE/WBE) or any other special services or assistance your firm may provide to MHDC that you believe may be relevant to or helpful to MHDC for its real estate and analysis needs. Describe the minority representation of personnel within your firm and the involvement of any minority persons or firms that would be assisting in any capacity with providing services to MHDC. Indicate if there would be a joint venture with a minority or woman-owned firm through a third party contract for part of the services.

If there is a joint venture with a minority or woman-owned firm, questions # 1, 2, 5, 7 and 8 should also be completed for the minority/woman-owned firm.

11. Proposed Fees. The fee for each assignment will be negotiated between the analyst and developer.

## **SECTION VI: EVALUATION CRITERIA**

The qualifications of the firms submitting proposals will be reviewed by the Market Study Committee and it is possible that several of the firms may be invited to make presentations to the Committee. The principal factor in the selection of a market analyst is the firm's ability to develop a market study for the developer on time with conclusions that are well supported. MHDC expects that conclusions will not contain bias in any direction.

The criteria used in evaluating the Responses will include, but are not limited to, the following (in no particular order of importance):

- Qualifications, capabilities and expertise of the firm's staff;
- The extent of geographic reach in Missouri of the Respondent's firm;
- Relevant experience providing similar services to other state housing agencies or other clients;
- The Respondent's ability and willingness to provide the services desired by the developer and needed by MHDC;
- Demonstrate understanding of the requirements of the Commission in order to present work product of excellent quality in the desired timeframe;
- Feedback obtained from references
- Related investigations and/or disciplinary actions will be taken into account;
- The Commission's prior experiences, if any, with the Respondent and any other factors the Commission believes would be in its best interest to consider;
- The respondent's rationale as to why the Respondent should be selected;
- The inclusion of minority and women (MBE/WBE) participation by the Respondent's firm(s), including the employees and/or any participation with a minority or woman-owned firm.

**There is no additional information requested. Thank you for reviewing this RFQ. We look forward to your response.**