



Restore, Repair, Renew – Participating Lenders
Request for Proposals

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Application Process

PHDC is pleased to issue this Request for Proposals ("RFP"), on behalf of the Philadelphia Redevelopment Authority ("PRA"), to interested qualified vendors (each, a "Respondent", and collectively, the "Respondents") to originate and service loans related to PHDC's Restore, Repair, Renew—Philadelphia Neighborhood Home Preservation Loan Program ("RRR").

Relationship of PRA and PHDC

PRA is a public authority whose day-to-day affairs are managed by PHDC under the direction and governance of the PRA Board appointed by the Mayor of Philadelphia.

Submission Deadline

Respondents must submit a response to this RFP ("Response") no later than **August 29, 2025 at 3:00 PM**; absolutely no Response will be accepted after this time.

Related Parties

Respondents may only submit one (1) Response to this RFP. Individuals, businesses, or entities that are legally related to each other or to a common entity may not submit separate Responses. PHDC, in its sole and absolute discretion, retains the right to reject any Response where:

1. Respondents or principals of Respondents are substantially similar or substantially related parties; or
2. PHDC has determined that the Respondent has violated these conditions or the spirit of these conditions.

Questions

Questions and requests for additional information should be directed in writing to rachel.mulbry@phdc.phila.gov with the subject line "RRR Lender RFP" and will be accepted until **August 8, 2025 at 3:00 PM**.

Submission Process

Responses will only be accepted in online submission through the electronic portal on PHDC's website [Click here](#).

Disqualification

Responses will be disqualified if:

1. They are submitted after the specified deadline;
2. They are submitted by some means other than the format listed above. Responses sent as an attachment to an email, through Dropbox, or any other electronic venue other than PHDC's online portal will not be accepted;
3. They are incomplete.

Schedule

RFP posted	July 9, 2025
Questions and requests for additional information due	August 8, 2025
Responses due	August 29, 2025

PHDC reserves the right, in its sole discretion, to alter this schedule as it deems necessary or appropriate.

Eligible Respondents

- Respondent(s) must be a corporation or company that is validly existing and permitted to do business in the Commonwealth of Pennsylvania (the "**Commonwealth**") and City of Philadelphia (the "**City**"). Respondent(s) must possess all necessary licensing required by the Commonwealth and the City to provide the services specified in this RFP.
- The Respondent(s) must clear the federal debarment list under the U.S. System for Award Management ("**SAM**"). Federal debarment is checked for both the company and principal(s) of the company.
- The Respondent(s) must have a proven record of providing the services required.
- The Respondent(s) must satisfy all conditions set forth below in the "Declarations & Other Information" section.

Program Description

In 2019, PHDC launched RRR to provide loans to Philadelphia low-, moderate-, and middle-income homeowners, defined as having household income at or below 120% of Area Median Income for Philadelphia County as established by HUD—for income limits, see <https://phdcphila.org/residents/home-repair/restore-repair-renew/>. The RRR program was funded with bond proceeds in the amount of Forty Million Dollars (\$40,000,000).

Program Goals

In 2018, the Philadelphia Federal Reserve published a report showing that nearly 75% of loan applications by low- and moderate-income borrowers in the Philadelphia metro area were denied by lenders. It is the goal of the RRR program to increase the availability of affordable capital to Philadelphia homeowners through a public-private-partnership model. The RRR program has an explicit goal to not only increase the loan approval rate above that in the private market, but also to increase access to capital for minority and female borrowers, and to ensure equitable access to capital in all parts of the city.

In RRR's first six years of operation, the program achieved the following outcomes:

- Approved over 600 borrowers for over \$19M to make home repairs and improvements
- The average RRR borrower's income is 73% of Area Median Income (AMI)
- 61% of RRR borrowers identify as Black or African American
- 72% of borrowers are female
- 1% default rate, 3% 60-day delinquency, 0% 30-day delinquency

Program Process

The point of entry for RRR Clients/Clients is a Program Navigator ("**PN**"), which is a participating nonprofit organization. Currently there is one (1) PN: Clarifi.

PNs are responsible for:

- Marketing the program
- Completing intake with new Clients
- Determining Client program eligibility
- Completing an initial home repair assessment
- Partnering with Client to develop repair work scope
- Helping Clients collect information needed to apply to a Lender
- Verifying contractor estimates and payment receipts for loan draws
- Completing a final home inspection to verify repairs are completed.

To be program eligible Clients must:

- Own a home in Philadelphia that is their primary residence (program guidelines address allowable circumstances for properties that contain owner and rental unit(s), condos, and mixed-use properties)
- Have a household income within the program income limits
- Have homeowner's insurance acceptable to PRA
- Not have any municipal liens (payment plans are acceptable)
- Be current on taxes to the City or be in a payment plan
- Not be persistently delinquent on any existing debt
- Meet minimum home quality standards or be able to address them using RRR loan proceeds.

Lenders are obligated to make loans based on PRA's underwriting terms and the application that the Client submits to the lender. Additional underwriting terms are not permitted. PRA's underwriting terms are:

- Client is program eligible (as determined by a PN)
- Credit score of 580 or above
- Maximum LTV 105% of post-rehab value based on an internal desk review valuation
- Back-end DTI at or below 43% (medical debt not included)
 - No delinquency on federal or municipal debts (does not include payments owed under a current payment agreement)
 - At least two (2) years removed from bankruptcy

The Client may select any contractor they wish, so long as the contractor has a current City of Philadelphia Contractor License or Registration with the Pennsylvania Attorney General's Office.

Lenders must originate loans at the following terms:

- Amount not to exceed \$50,000, inclusive of all costs/charges.
- 10-year duration.
- 3% fixed rate.
- No fees may be charged to Client.
- Secured with first- or second-position lien (third position is allowed, if a mortgage in first or second position is for a recognized affordable homeownership program, such as down payment assistance program, HEMAP loan, etc.)
- During the construction period, the loan product will be structured as a non-revolving line of credit that terms out after one (1) year.
- Interest-only payments are due to Lenders monthly during the construction period. Post-construction principal and interest payments are calculated based on the total principal borrowed and the remaining term.
- Contractor(s) may seek an advance for up to 50% for contracted work, with the balance due upon completion of work.
- Final payment to contractor(s) will be made after all agreed-upon repairs have been completed.

After the loan is termed out, PRA will purchase the note within fifteen (15) days. Lender will then service the loan:

- Lender(s) will remit principal and interest payments collected from borrowers to the PRA monthly.
- Lender(s) will provide the PRA with an aging, delinquency, and remittance report monthly.
- In the event of default lenders are expected to contact Clients and permit one hundred twenty (120) days to lapse before formally declaring default. The Lender(s) must agree to notify the PRA and PNs (if PNs are

still under contract with the PRA) who referred Client(s) at thirty (30) days, sixty (60) days, ninety (90) days, and one hundred twenty (120) days of continued delinquency.

- Following one hundred twenty (120) days of continued delinquency, PRA will relieve Lender(s) from continuing to service delinquent loans.
- Upon full repayment of the loan, lenders will prepare and send PRA a satisfaction piece.

Program Management and Data Collection

PHDC uses a customized application built on the Quickbase platform to manage the RRR program. PNs and Lenders are required to enter information into Quickbase, so that PRA can keep up-to-date records on all Clients. Information that the Lender must enter into Quickbase in a timely fashion includes, but is not limited to:

- Lender assignee and branch representative
- Loan application date
- Loan closing date
- Loan denial date and reason
- Loan approval amount
- Loan draw approval and check issue dates
- Loan available for purchase date
- Final principal amount
- Upload recorded mortgage
- Upload endorsed note
- Upload closing disclosures
- Upload mortgage assignment
- Date these original documents are mailed to PRA
- Upload satisfaction piece

Requested Services

The services requested include:

- Originate any loan that meets PRA's underwriting terms;
- Request from PRA third-lien exceptions per the Program Guidelines, as needed;
- Enter all information into Quickbase as required under the Program Guidelines;
- Assign loans to PRA in accordance with Program Guidelines;
- Service loans in accordance with Program Guidelines;
- Remit payments collected from serviced loans each month;
- Submit to PRA on a monthly basis an aging, delinquency and remittance report;
- Communicate with loan applicants and borrowers throughout the loan lifecycle
- E-record loan documents and assignments;
- Participate in quarterly meetings with PRA/PHDC, the PNs, and other Lenders to help improve workflow and program design; and
- Other related services as agreed to by the Parties.

Contract Length

The term of the Agreement for Professional Services or other similar agreement (herein, the "Agreement") with the selected Respondent(s) shall terminate the earlier of (i) sixteen (16) years from the effective date, or (ii) the completion of all servicing obligations relative to all loans being serviced by the selected Respondent(s) as part of the Services.

Fee for Service

Selected Respondent(s) will be paid 1) a one-time origination fee per closed loan, and 2) a monthly servicing fee for loans that are actively in service. RFP

In addition, lenders are reimbursed for all third-party costs as follows (third-party costs may be adjusted from time to time):

- Valuation: one hundred dollars (\$100);
- Title search: one hundred fifty dollars (\$150);
- Flood insurance fee: twelve dollars (\$12);
- Home valuation (HVE) fee: thirteen dollars (\$13)
 - o In cases where a full appraisal is necessary and with prior approval from the PRA, a one-time appraisal fee of Four Hundred and Twenty-Five Dollars (\$425);
- Recording fee: two hundred and twenty-seven dollars (\$227) each for recording the mortgage and loan assignment to PRA; and
- Credit report: twenty-five dollars (\$25).

PRA will approve additional third-party fees on a case-by-case basis.

Response Submission Requirements

Each Response must not exceed six (6) pages total. The Response should include the following information:

1. Name of Respondent;
2. Address of Respondent;
3. EIN of Respondent;
4. Primary Respondent Point of Contact Name/Email/Phone;
5. Addresses of all current Philadelphia branch locations and a description of any planned expansion or reduction in branch footprints
6. Narrative Response—description of the following:
 - o Respondent's level of staffing, internal systems, and capacity relative to the requirements of this program. Please include whether existing loan underwriting uses a tri-merge or a single credit reporting agency (time-merge is preferred);
 - o Experience of Respondent in originating and servicing loans to low-, moderate-, and middle-income homeowners;
 - o Respondent's experience and level of commitment to equitable lending practices and expanding access to credit for underserved borrowers, including minorities and women;
 - o Respondent's ability to provide personal attention to borrowers, especially those who may not have experience taking out a loan and/or past experience with banking relationships;
 - o Respondent's policies, practices, and track record relating to diversity and inclusion, diverse workforce and hiring, and diverse contracting;
 - o Respondent's experience contracting with the City, PHDC, and/or other public-sector entities;
 - o Confirmation that Respondent will originate loans that meet PRA's underwriting terms, including a minimum credit score of 580;
7. Statement that Respondent is applying responsive to this RFP and understands the requirements stated herein; and
8. Signature of an authorized representative of Respondent.

Evaluation & Selection

Respondents will be evaluated based on their ability to demonstrate the level of experience, skill, and competence required to perform the services called for in this RFP. Priority will be given to Respondents that demonstrate:

- An appropriate level of capacity, staffing and systems necessary to carry out this program effectively;
- Ability and commitment to provide personal attention to borrowers;
- A strong commitment to equitable lending practices and expanding credit to underserved borrowers, including Black and brown borrowers and women;
- Experience originating and/or servicing loans for low-, moderate-, and middle-income borrowers; and
- A strong commitment to diversity and inclusion in their workforce, hiring, contracting, and business practices.

PHDC may, but is not obligated to, select one or more Respondents to be awarded an Agreement based on PHDC's evaluation of their respective Responses.

Events of Disqualification or Default

Subsequent to the selection of Respondent(s), and before the execution of an Agreement, PHDC may treat any of the following as an event of disqualification or default:

1. Unilateral withdrawal by a selected Respondent;
2. Failure to proceed substantially in accordance with the Response as submitted;
3. Failure by a Respondent for any reason whatsoever to timely execute the Agreement when tendered;
4. Material misrepresentation, omission, or inaccuracy contained in any document submitted either as part of this RFP, or subsequent thereto; and/or
5. Failure to provide in a timely manner any additional materials required after selection.

Upon the happening of an event of disqualification or default by a Respondent, PHDC shall have the right, at its election, to:

1. Rescind its selection; or
2. Declare null and void an Agreement that may already have been executed.

Declarations & Other Information

Economic Inclusion

PHDC strongly encourages and promotes the employment of certified Minority, Women, and/or Disabled Business Enterprise (**M/W/DSBE**) firms in all aspects of its procurement of goods and services. If Respondent is a certified M/W/DSBE firm, please submit information to confirm certification with the Philadelphia Office of Economic Opportunity as part of the Response. PHDC also encourages and promotes hiring of a diverse workforce and companies that are committed to equitable access of opportunity for historically under-served groups.

Tax Clearance & Conflict of Interest Form

Respondents must provide evidence satisfactory to PHDC that:

- all municipal taxes, including business taxes, real estate, school, water and sewer charges, if applicable, are current for both the individual contractor and a Respondent's firm and neither is currently indebted to the City; and

- will not at any time during the term of the Agreement be indebted to the City, for or on account of any delinquent taxes, liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established.

Please complete the Philadelphia Tax Status Certification and Conflict of Interest form (**Attachment A**) and submit it with your Response.

[Campaign Contribution Disclosure Forms](#)

Please complete the applicable disclosure forms and submit with your Response (**Attachment B**).

[Insurance Requirements](#)

Insurance requirements accompany this RFP (**Attachment C**). If a Respondent is selected to be awarded an Agreement, such Respondent will be required to submit a certificate of insurance evidencing the required coverages as outlined in the insurance requirements accompanying this RFP.

[Terms & Conditions](#)

By submitting a Response to this RFP, Respondents affirmatively acknowledge: (i) acceptance of the terms and conditions of this RFP; (ii) that PHDC and/or the Philadelphia Redevelopment Authority ("PRA") may exercise in its sole discretion the following rights; and that PHDC and/or PRA may exercise the following rights at any time and without notice to any Respondent:

1. to reject any and all Responses;
2. to supplement, amend, substitute, modify, or re-issue the RFP with terms and conditions materially different from those set forth here;
3. to cancel this RFP with or without issuing another RFP or the RFP;
4. to extend the time period for responding to this RFP;
5. to solicit new Responses;
6. to conduct interviews with Respondent(s) to assess compliance with the selection criteria;
7. to request additional material, clarification, confirmation, or modification of any information in any and all Responses;
8. to negotiate any aspect of Responses, including price;
9. to terminate negotiations regarding any and all Responses at any time;
10. to expressly waive any defect or technicality in Responses;
11. to rescind a selection prior to execution of the Agreement if PHDC and/or PRA determines that such Response does not conform to the specifications of this RFP;
12. to rescind a selection prior to execution of the Agreement if PHDC and/or PRA determines that the specifications contained in this RFP are not in conformity with law or that the process in selection of Responses were not in conformity with law or with the legal obligations of PHDC and/or PRA;
13. in the event an Agreement is awarded, the successful Respondent(s) shall procure and maintain, during the life of the Agreement, liability insurance in an amount to be determined prior to the award of any Agreement;
14. in the event an Agreement is awarded, all Respondents agree to perform their services as an independent contractor and not as an employee or agent of PHDC and/or PRA;
15. in the event an Agreement is awarded, all Respondents agree that no portion of performance of the Agreement shall be subcontracted without the prior written approval of the PHDC and/or PRA; and
16. each Respondent agrees to indemnify, protect and hold harmless PHDC, PRA and the City from any and all

losses, injuries, expenses, demands, and claims against PHDC, PRA or the City sustained or alleged to have been sustained in connection with or resulting from: (i) submission of a Response; (ii) the delivery by Respondents to PHDC of any documents or information; and (iii) any other conduct undertaken by the Respondents in furtherance of or in relation to the Response. Each Respondent agrees that its duty to indemnify and hold harmless shall not be limited to the terms of any liability insurance, if any, required under this RFP or subsequent contract.

Neither PHDC nor PRA is under any obligation whatsoever to Respondents as a result of this RFP. The RFP does not represent any commitment on the part of PHDC and/or PRA. In no event shall PHDC and/or PRA be responsible for any cost, expense, or fee incurred by or on behalf of Respondents in connection with this RFP. All Respondents shall be solely responsible for all such costs, expenses, and fees.

NOTICE: PHDC, PRA and/or the City reserve the right to disclose any information provided in your Response to this RFP to the public. Documents provided in your Response to this RFP may also be required to be disclosed by applicable law, including Pennsylvania's New Right to Know Law, subpoena, and/or court order.