



**ADDENDUM #1
Title Work and Closing Services for the
Boulder County Housing Authority
RFP # 7383-22**

October 4, 2022

The attached addendum supersedes the original Information and Specifications regarding RFP # 7383-22 where it adds to, deletes from, clarifies or otherwise modifies. All other conditions and any previous addendums shall remain unchanged.

Please note: Due to COVID-19, BIDS will only be accepted electronically by emailing purchasing@bouldercounty.org.

1. Question: **Pricing:** Page 8 of the RFP requests information about pricing. Below are the respective items and our inquiry for greater clarification in blue.

8. Typical pricing for closing a construction loan for a multifamily construction project financed with low-income housing tax credits, private activity bonds, seller carryback financing, and multiple sources of subordinate debt financing, for both owner's and lender(s)' policies, including most recent pricing sheet for endorsements, as well as closing, escrow, and other title fees.

- Would it suffice here to send copies of title rates, endorsements costs, closing and escrow fees and any applicable additional fees? Or is BCHA looking for an typical pricing example for a LIHTC construction loan?

ANSWER: Please provide enough information to determine total cost for this project, with itemized costs when available.

10. A detailed project schedule for Willoughby Corner with an all-inclusive total cost and fee broken out by service and phases.

- The most cost effective way to obtain the appropriate level of owner's and lender's insurance is to purchase, at the closing, an owner's policy for the expected final build-out value of the development and a concurrent lender's policy. This also ensures the owner for the full amount of the project during the construction phase.
- The second, and more expensive option, is to obtain a lender's policy at the construction closing followed by an owner's policy for the final build-out value upon completion. Our research has shown that the second option can increase the overall expenditure on title services by 15% to 25%. In addition, the owner is only insured to the amount of the requested owner's policy, which is often just the value of the land.
- In our mission to support the successful outcome of LIHTC transactions, we feel compelled to explain this dynamic.
- Based on this explanation, our pricing inquiry is threefold;
 - First, we'd like clarity which of the above pricing options BCHA would like us to use for the all-inclusive total costs for Phases 1-a, 1-b, 2 and 3.
 - Second, we will need the construction loan and final build-out value (estimates are fine) for all phases to accurately disclose our fees.
 - Third, would BCHA prefer to supply us with their list of standard endorsements, and those of their lender, or prefer we use the standard endorsements we see on the majority of our LIHTC closings?
- In submitting this pricing inquiry our goal is to both ensure we are providing the lowest possible costs *and* that all title companies in this process are basing their fees on the same set of figures so that BCHA can accurately compare overall title costs.
- Finally, we want to confirm that no pricing requests are being made for the three additional projects BCHA outlines on Page 7 (Casa de la Esperanza, McCaslin Park-n-Ride and Eagle Place).

ANSWER: Thank you for this additional information and context. Please provide the first option of financing for each phase. See attached summary of estimated sources and uses. Please provide a standard list of endorsements for the purposes of this RFP. At this time no pricing requests are being made for other projects.

2. Question: **Contract:** For pages 19-26 We are requesting the following changes or considerations to the contract. Please understand that our considerations are in an effort to make the contract fit more adeptly to the types of services and products that any title company will be providing under the circumstances. This is a broad purchasing agreement and likely fits many of the services required by BCHA, but because providing title and closing services in conjunction with

individual real estate transactions is unique, some aspects of this contract don't directly apply to the services being offered.

- 5. In real estate transactions, title and closing services are generally line items on the settlement statement, and are paid for as a part of the real estate financial settlement. The invoice for the title services is generally provided through a list of title policies and endorsements on the title commitment; the cost of the closing services will generally be one line-item on the settlement statement. Is this acceptable?
- 9. This indemnity agreement may be in conflict with future liability and indemnities addressed in our individual real estate closing forms. We suggest removing this paragraph and falling back on the liabilities and indemnities in our closing forms. In the event this is not possible, we would ask for the opportunity to work with BCHA to craft an indemnity agreement that meets our aforementioned concern.
- 13. and 15. (termination paragraphs) - We understand the importance of BCHA's appropriations process and limitations, and that it may need flexibility in terminating due to funding issues. As an independent third party service provider, we provide closing services on behalf of both buyer and seller in the context of a real estate transaction. As between buyer and seller, the parties negotiate who is responsible for paying for title and settlement services, and the parties will also determine amongst themselves whether the real estate contract moves forward or terminates. In the event BCHA cancels this contract, if there is a transaction in process which includes BCHA and an additional buyer/seller party, vendor requests the right to complete our services for any pending transaction and to be compensated for said services.
- 22. We foresee a conflict with this paragraph based on the fact there will be additional agreements between BCHA and vendor (for example EM Receipts, potential real estate purchase and sale agreements, closing instructions, etc). Based upon the possibility of these additional agreements, vendor requests that this paragraph contemplates BHA and Contractor entering into various written agreements in the future as necessary in order to perform the services contemplated by this Agreement, and in the event that there is a conflict between this agreement and a subsequent agreement, the subsequent agreement will control.

ANSWER: Thank you for this detailed review. The contract was included as a sample. Contract negotiations will occur after the award of this RFP.

Submittal Instructions:

Submittals are due at the email box only, listed below, for time and date recording on or before **2:00 p.m. Mountain Time on October 7, 2022**.

Please note that email responses to this solicitation are limited to a maximum of 50MB capacity.

NO ZIP FILES OR LINKS TO EXTERNAL SITES WILL BE ACCEPTED. THIS INCLUDES GOOGLE DOCS AND SIMILAR SITES. ALL SUBMITTALS MUST BE RECEIVED AS AN ATTACHMENT (E.G. PDF, WORD, EXCEL).

Electronic submittals must be received in the email box listed below. Submittals sent to any other box will NOT be forwarded or accepted. This email box is only accessed on the due date of your questions or proposals. Please use the Delivery Receipt option to verify receipt of your email. It is the sole responsibility of the proposer to ensure their documents are received before the deadline specified above. Boulder County does not accept responsibility under any circumstance for delayed or failed email or mailed submittals.

Email purchasing@bouldercounty.org; identified as RFP # 7383-22 in the subject line.

All proposals must be received and time and date recorded at the purchasing email by the above due date and time. Sole responsibility rests with the Offeror to see that their bid is received on time at the stated location(s). Any bid received after due date and time will be returned to the bidder. No exceptions will be made.

The Board of County Commissioners reserve the right to reject any and all bids, to waive any informalities or irregularities therein, and to accept the bid that, in the opinion of the Board, is in the best interest of the Board and of the County of Boulder, State of Colorado.



**RECEIPT OF LETTER
ACKNOWLEDGMENT**

October 4, 2022

Dear Vendor:

This is an acknowledgment of receipt of Addendum #1 for RFP #7383-22, **Title Work and Closing Services for the Boulder County Housing Authority.**

In an effort to keep you informed, we would appreciate your acknowledgment of receipt of the preceding addendum. Please sign this acknowledgment and email it back to purchasing@bouldercounty.org as soon as possible. If you have any questions, or problems with transmittal, please call us at 303-441-3525. This is also an acknowledgement that the vendor understands that **due to COVID-19, BIDS will only be accepted electronically by emailing purchasing@bouldercounty.org.**

Thank you for your cooperation in this matter. This information is time and date sensitive; an immediate response is requested.

Sincerely,

Boulder County Purchasing

Signed by: _____ **Date:** _____

Name of Company _____

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