



PURCHASING DIVISION

901 Broadway, N.E. • Knoxville, TN 37917-6699
865.403.1133 • Fax 865.594.8858
800.848.0298 (Tennessee Relay Center)
Email: purchasing@kcdc.org
<http://www.kcdc.org/en/DoingBusiness.aspx>

Request for Proposals

Financing for a Multi-Family Structure

Due Date: August 1, 2014

Check KCDC's web page for addenda and changes before submitting your bid.

Due Time: By 2:00 p.m. (as shown by KCDC's clock)

Proposal Number: C14026

Deliver Proposals to: Knoxville's Community Development Corporation
Purchasing Division
901 Broadway N.E.
Knoxville, Tennessee 37917

Faxed/Emailed Responses are acceptable: **Yes** **No**

Award Results: KCDC posts the award decision to its web page at:
<http://www.kcdc.org/en/DoingBusiness/SolicitationResults.aspx>

General Information for Proposers

1. **BACKGROUND AND INTENT**

Knoxville's Community Development Corporation ("KCDC") is requesting commitments to provide a financing package for property KCDC wishes to purchase. The property is known as Reynolds Apartments, 3505 Old Valley View Drive, Knoxville, Tennessee 37917. The property is a multifamily development with 32 units in eight buildings. The property has a single family dwelling located at the front of the site.

KCDC will be the project "Owner" and will lease the 32 units to eligible tenants. KCDC seeks to secure a 20-year fixed rate loan at the maximum LTV available in the current market. For pro forma purposes, KCDC has projected a loan amount of \$1.6 million (80% LTV), amortized over 20 years.

2. **CONTACT POLICY**

Contact is not permitted between the proposer and anyone other than the KCDC Purchasing Division from the issuance of this RFP until an award is finalized. Such contact can disqualify the proposer from participation in the solicitation process.

3. **EVALUTION:**

Responses will be examined first for responsiveness and responsibility. Once responsiveness and responsibility are determined, the remaining responses will be evaluated on the following factors:

Factors	Maximum Points
Loan Proposal	80
Client References	10
Timeline	10
Total	100

4. **INSURANCE**

The proposer agrees to maintain at its sole expense during the term of this agreement insurance coverages and limits in accordance with the proposer's standard business practices and acceptable to KCDC. Coverage must include Banker's Professional Liability insurance or equivalent and Banker's Blanket Bond insurance. Upon request, the proposer shall provide KCDC with Certificates of Insurance evidencing such insurance.

5. **QUESTIONS**

Questions pertaining to this solicitation should be submitted to purchasing@KCDC.org at least five days prior to the due date via email with "Questions about Financing" in the subject line.

6. **SCHEDULE (tentative)**

Term Sheets Submitted	August 1, 2014
Board Approval	August 28, 2014
Close Financing	October 1, 2014

Submittal Format

In order to ensure our ability to accurately compare competing proposals, address each of the following items in your proposal. Number pages consecutively and place your company's name on each page. Submit one original (with all pages marked "original") and three copies of the original proposal. Provide one copy of your proposal on CD. If you have attachments, mark them (on the cover) with the proposer's name.

General Business Information:	Provide an introductory coversheet with the name, title and contact points for the proposer.
Financing Structure:	KCDC is looking for a proposal using Community Investment Tax Credits (CITC) or a bank-qualified loan.
Interest Rate(s):	
Loan Term(s):	Maximum Loan Term for quoted product(s).
Amortization Period(s):	Maximum amortization period for quoted product(s).
Loan to Value:	Maximum LTV for quoted product(s).
Debt Service Coverage:	Minimum Debt Service Coverage requirements.
Financing Fees:	Fee structure associated with quoted product(s), including upfront fees, percentage-based fees, and any associated annual fees. Show a total cost.
Prepayment Penalties:	Structure, if applicable.
Due Diligence:	Comprehensive list of additional due diligence material required for underwriting of quoted product(s).
Financial Reporting:	Required frequency of financial reporting by borrower(s).
Assignment of Rents and Leases:	Required assignment(s), if applicable.
Timeline to Closing:	
Other Conditions & Requirements:	Other covenants, collateral requirements, insurance requirements, special conditions, carve outs, or other pertinent information associated with the quoted product(s).

ALL EXHIBITS ARE AVAILABLE ELECTRONICALLY UPON REQUEST

- Exhibit 1: Project Appraisal
- Exhibit 2: Project Pro forma (5 year)
- Exhibit 3: Project Rent Roll
- Exhibit 4: Project Capital Needs Assessment