



2026 Carver County CDA DOWN PAYMENT ASSISTANCE PROGRAM

Request for Proposal: Lender Participation in the 2026 Carver County CDA Down Payment Assistance (DPA) Program and First-Generation Set-Aside (First-Gen)

1) **Overview/Purpose**

The Carver County Community Development Agency (CDA) is seeking proposals from qualified mortgage lenders to participate in the Carver County CDA Down Payment Assistance (DPA) Program and First-Generation Set-Aside. CDA's objective is to strategically leverage its DPA resources alongside lender-provided capital, incentives, and mortgage products to expand access to homeownership, improve affordability, and enhance the overall first-time and first-generation buyer experience.

CDA seeks professional lending partners willing to layer their own down payment assistance, grants, rate reductions, closing cost assistance, or portfolio mortgage products with CDA funding to maximize the reach and effectiveness of these programs.

We are seeking professional lending partners to originate primary mortgages in tandem with our two distinct down payment assistance products:

- Standard DPA: A 20-year deferred forgivable loan for first-time homebuyers.
- First-Generation Set-Aside: A 10-year deferred forgivable loan for eligible first-generation buyers.

The goals of the DPA program are to provide an affordable pathway for low-to-moderate income households to achieve first-time and first-generation homeownership, encourage homeownership within Carver County, and support a strong residential real estate market across income and property types.

Given the limited availability of public DPA resources, the CDA seeks lending partners committed to maximizing the impact of these funds through leveraged financing

structures that allow the program to serve more households at deeper levels of affordability. ***We anticipate providing approximately \$1,250,000 in DPA funding in 2026 for these programs with a 60% Standard DPA / 40% First-Gen DPA allocation.***

Lenders must fully review all Carver County CDA Down Payment Assistance Program Guidelines and Down Payment Assistance Program for First Generation Homebuyers Set-Aside Guide prior to submitting an RFP application.

2) **Proposal Due Date**

Complete proposals will be accepted up until **1:00 p.m. on May 14, 2026**, at the Carver County Community Development Agency office located at 705 N Walnut Street, Chaska, MN 55318 and mailed to the attention of Melodie Bridgeman, or emailed to dpa@carvercda.org. Recommendations are anticipated to be presented to the CDA Board at its meeting on May 21, 2026.

3) **Pre-Proposal Questions**

All questions must be submitted via email, **no later than noon, May 7, 2026**, to dpa@carvercda.org.

The Carver County CDA reserves the right to amend the RFP based on questions raised at any time prior to the RFP submission deadline.

4) **Incurred Expenses**

The Carver County CDA is not responsible for any expenses which offerors incur in preparing and submitting proposals.

5) **Acceptance of Terms and Conditions**

By submitting a proposal in response to the RFP, the offeror accepts all of the terms and conditions set forth in this RFP.

6) **Length of Contract**

Lenders selected under this RFP will be eligible to participate in both the First-Time Homebuyer DPA and the First-Generation Set-Aside programs throughout the 2026 funding period without requiring separate approvals for each program.

7) **Master Servicer**

All DPA loans will be serviced by the Center for Energy and Environment (CEE) for the Carver County CDA.

8) **Scope of Services**

Selected lenders will be responsible for:

- a) **Origination:** Evaluating applicants for primary mortgage eligibility (30-year fixed, conventional, or FHA as applicable).
- b) **Subordinate Loan Processing:** Originating and closing the CDA's DPA loan as a secondary loan in tandem with the primary mortgage.
- c) **Coordinated Closings:** Managing timelines to ensure both primary and CDA funds are available and all required processes are in place at time of closing.
- d) **Preferred Financial Terms:** Selected lenders are expected to demonstrate meaningful lender-provided financial benefits to CDA applicants, such as interest rate reductions, lender credits, fee waivers, or other forms of borrower assistance. Proposals that provide measurable, repeatable financial benefits will be prioritized during evaluation. This could also include a partnership with a title company to provide added cost reductions.
- e) **Strategic Outreach:** Lenders will act as ambassadors for the First-Generation Set-Aside, specifically targeting outreach to underserved populations and community organizations within Carver County.

9) **Minimum Qualifications**

Respondents must demonstrate the following:

- **Licensing:** Current NMLS registration and authorization to lend in the State of Minnesota.
- **Experience:** Prior experience with affordable housing programs including the Carver County CDA programs.
- **Education:** Ability to verify that borrowers have completed the Home Stretch homebuyer education course.

10) **Proposal Format/Requirements**

Proposals must include clear descriptions of the firm's capabilities to meet the requirements of the RFP and shall include the following:

Transmittal Letter: This letter should outline the firm's ability to provide the experience and scope of services requested. Please describe the company's size, management and ownership, including:

- Name
- Primary Address
- Primary Telephone Number
- Primary Fax Number
- Primary Email
- Name & Title of Primary Contact Individual
- Number of Employees
- Number of Years in Business
- Company's Legal Status
- Tax ID Numbers
- State under which the entity is organized

The letter must be signed by an officer who is authorized to bind the Consultant and state that the proposal is binding for 90 days from the submission deadline for proposals.

Financial Incentives: Describe any specific interest rate discounts, fee waivers, lender credits, or other forms of capital your firm will offer to borrowers utilizing the CDA DPA and First-Generation Set-Aside Program. **If applicable, quantify the estimated dollar value of these incentives per borrower and describe any conditions or limitations.**

Readiness & Counseling: Detail your process for ensuring long-term homeownership success. This should include your referral process for financial coaching (other than Home Stretch) and how you verify the borrower's ability to manage the full costs of homeownership.

Marketing Plan: Outline how you will promote the Carver County CDA's DPA and First-Generation products through your existing networks and how you will reach applicants who may not be reached by traditional marketing.

11) **Qualification Requirements**

The following list is the minimum qualification requirements:

Lender Institutional Qualifications:

- **Licensing & Status:** Must be a prime/A-rated lending institution providing fixed-rate fully amortized qualified mortgages.

- **Prohibited Products:** Lenders may not use adjustable-rate mortgages (ARMs) in conjunction with CDA funds.
- **Fee Restriction:** Lenders are strictly prohibited from charging additional fees to the borrower specifically for the use or administration of this program.
- **Documentation Compliance:** Lenders must agree to submit the *CDA Mortgage Underwriter Pre-Approval Attestation Form* and provide a final 1008 Underwriting Transmittal (or equivalent) prior to closing.

Borrower Eligibility Verification:

- **First-Time Homebuyer Status:** Verify that the applicant (or household) has not owned a home within the last three years.
- **First-Generation Status (Set-Aside Only):** Verify the applicant and their parents/guardians have never owned a home (or lost one only to foreclosure) and collect the required First-Generation Homebuyer Affidavit.
- **Income Limits:** Ensure gross household annual income is at or below 100% of the Area Median Income (AMI), currently capped at **\$132,400**.
- **Asset Limits:** Confirm that the borrower's liquid assets (excluding retirement/college savings) do not exceed **\$50,000** after closing.
- **Homebuyer Education:** Ensure at least one applicant completed a *Home Stretch* workshop within the last 12 months **prior** to signing a purchase agreement.
- **Minimum Contribution:** Verify the borrower is contributing at least **\$1,000** of their own funds toward the purchase.

Technical Underwriting Ratios:

- **Minimum Housing Ratio:** Not less than **25%**.
- **Maximum Debt-to-Income (DTI):** Not greater than **50%**.
- **Combined Loan-to-Value (CLTV):**
 - **Standard DPA:** Must not exceed **100%** of the appraised value.
 - **First-Generation Set-Aside:** Must not exceed **103%** of the appraised value.

Eligibility Property Standards:

- **Location:** Property must be located within Carver County.
- **Purchase Price:** Must not exceed **\$415,000**.
- **Property Type:** Eligible types include single-family detached, duplexes, twin homes, condominiums, or townhomes.
- **Condition:** Must be in “move-in” condition with an independent full home inspection complete prior to closing.
- **Occupancy:** Must be the borrower’s primary residence and homesteaded.

12) Award Criteria

The Carver County CDA reserves the right to award this RFP to the respondent(s) who presents a proposal that best meets the requirements as listed herein and represents the most beneficial procurement as determined by the CDA.

Proposals will be evaluated and scored on a 100-point basis of the following criteria:

Evaluation Criteria	Maximum Points
Experience & Qualification of the Proposer <ul style="list-style-type: none"> • General organization experience in the delivery of similar homeownership programs. • Experience working with the Carver County CDA DPA Program and/or Carver County Community Land Trust Program. 	25 Points
Financial Benefit to Borrower <ul style="list-style-type: none"> • Competitive fee structures, interest rates, and any additional lender-provided discounts or credits. 	30 Points
Administrative Capacity <ul style="list-style-type: none"> • Proposed workflow for DPA coordination and ability to meet CDA closing timelines. 	15 Points
Commitment to Buyer Readiness & Mission <ul style="list-style-type: none"> • Quality of the lender's strategy for financial coaching, budget verification, and marketing to underserved populations. 	20 Points
Lender is local and based in Carver County, Minnesota.	10 Points

The Carver County CDA reserves the right to waive any minor deviation in proposal responses received when such waiver is in the best interests of the CDA, and reserves the right to modify any requirements, terms, or conditions as outlined in this RFP when such modification(s) is in the best interest of the CDA. In the event of comparable proposal scores, preference may be given to lenders demonstrating the strongest commitment to leveraged financing and borrower cost reductions.

This document is not an offer to contract but is an RFP as defined herein, to satisfy specific requirements to the Carver County CDA. Neither the issuance of the RFP, preparation and submission of a response, nor the subsequent receipt and evaluation of any response by the CDA, will commit the CDA to award a contract to any vendor even if all the user requirements in the RFP are met. Only the execution of a written contract will obligate the CDA in accordance with the terms and conditions contained in such contract.

13) **Right to Reject Proposals**

This RFP does not commit the CDA to award a contract, pay any cost incurred in preparation of a proposal in response to this RFP or to procure or contract for services. The CDA intends to award a contract on the basis of the best interest and advantage to the CDA and reserves the right to accept or reject any or all proposals received as a result of this RFP, to negotiate with any or all qualified proposers or to cancel this RFP in part or in its entirety, if it is in the best interest of the CDA to do so.