

**Justification for Other Than Full and Open Competition**

U.S. Department of Housing and Urban Development  
Office of Administration

**Part 1 - Program Office Recommendation**

I recommend the use of other than full and open competition for the acquisition of (describe services or supplies)

The McDash Analytics database subscription. This database will provide HUD economists and policy analysts with historical and current mortgage market information that cannot be obtained from any other source. The database provides mortgage loan details including: origination date, term, property type, occupancy, credit score, current/delinquency status, foreclosure/bankruptcy status, variable rate information, and geographic details. The online interface will allow HUD analysts to use the most current mortgage data to efficiently respond to Secretarial and Congressional queries. This is a unique, proprietary database that cannot be replicated by any other vendor. We have researched on the internet and elsewhere and have not found anyone else who can provide these services.

Negotiations should be conducted with the following source(s) only (provide names, addresses, and points of contact; continue on separate sheet if needed)

Steven Berg  
1610 15th ST, STE 200  
Denver, CO 80202-1304  
Tel: 303-399-9567 x1001  
Fax: 303-377-5489  
sberg@mcdash.com

The estimated cost of this acquisition is \$ 1,592,740

The statutory exception which allows this use of other than full and open competition is (select one)

- Only one responsible source and no other supplies or services will satisfy agency requirements - 41 USC 253(c)(1) (see FAR 6.302-1)
- Unusual and compelling urgency - 41 USC 253 (c)(2) (see FAR 6.302 -2)
- Industrial mobilization; engineering, development or research capability; or expert services - 41 USC 253 (c)(3) (see FAR 6.302 -3)
- Authorized or required by statute - 41 USC 253 (c)(5) (see FAR 6.302 -5)
- Public Interest (Note: Requires Secretarial approval and Congressional notification) - 41 USC 253 (c)(7) (see FAR 6.302 -7)

A description of the circumstances which support the use of the above statutory authority is attached and included as Exhibit 1 to this justification.

Program Office Certification. I certify that the information contained in this justification is accurate and complete to the best of my knowledge and belief.

|  |  |
|--|--|
| Head of Program Office (name)<br><b>Jean Lin Pao</b> | Title/Name of Office<br><b>General Deputy Assistant Secretary for PD&amp;R</b> |
| Signature<br><i>Jean Lin Pao</i>                     | Date<br><b>6/2/2009</b>  |
|  | For additional information, contact<br><b>John P. Comeau</b>                   |

**Part 2 - Contracting Officer Review and Certification**

Provide additional justification and comments; continue on separate sheet if needed.

**Contracting Officer Certification**

I certify that the information contained in this justification is accurate and complete to the best of my knowledge and belief.

|                                |                                     |                            |
|--------------------------------|-------------------------------------|----------------------------|
| Name<br><i>Marc W. Jackson</i> | Signature<br><i>Marc W. Jackson</i> | Date<br><b>JUL 16 2009</b> |
| Previous edition is obsolete   | Page 1 of 2                         | form HUD-24012 (3/2003)    |

| Part 3 - Other Approvals   |   |
|--|---|
| <b>Up to \$600,000 - Contracting Officer or Supervisory Procurement Official</b> |   |
| Name<br>Gene Hamilton Jackson  | Title<br>Contracting Officer, OCPO        |
| Signature  | Date                                      |
| <b>\$500,000 to \$10,000,000 - Contracting Activity Competition Advocate</b>     |   |
| Name<br>Jacquelyn D. Harris  | Title<br>ACPO, Policy, System & Oversight |
| Signature<br><i>Jacquelyn D. Harris</i>  | Date<br>8/5/16                            |
| <b>\$10,000,000 to \$50,000,000 - Head of Contracting Activity</b>               |   |
| Name   | Title                                     |
| Signature  | Date                                      |
| <b>Over \$50,000,000 - Senior Procurement Executive</b>                          |   |
| Name   | Title                                     |
| Signature  | Date                                      |

**Additional Guidance for Completing the Justification**  
(see Handbook 2210.3, Chapter 4)

**Part 1 - Program Office Recommendation**

The supporting documentation in the Exhibit 1 must describe:

- o The nature of the proposed acquisition that requires other than full and open competition;
- o The unique qualifications of any proposed sole source; and
- o The market research conducted (see FAR Part 10) and the results or the reason(s) why market research was not conducted.

The cost estimate must include all costs of the proposed acquisition, e.g., options, systems life costs, etc. The total will determine the approval level needed (see Part 3).

FAR Subpart 6.3 describes the statutory exceptions, their applicability, and limitations on their use.

"Head of the Program Office" means:

- o For all Headquarters acquisitions: the cognizant Assistant Secretary or designee.
- o For Field acquisitions: the program office director, e.g., Director, Multifamily Housing, within the State or Area Office, or the Director of the Administrative Service Center for Administration-Initiated acquisitions.

**Part 2 - Contracting Officer Review and Certification**

Besides any information provided to support the program office's justification, the Contracting Officer shall provide:

- o Documented results of any Federal Business Opportunities (FedBizOpps) notices or explanation of why no notice was published.
- o A statement of actions the Department may take to remove barriers to competition for subsequent acquisitions of similar services / supplies; and
- o A determination that the anticipated cost / price is fair and reasonable. (See FAR Subpart 6.3 for further guidance.)

The Contracting Officer signing the certification shall be the same individual who will sign the proposed acquisition action which is the subject of this justification.

**Part 3 - Other Approvals**

The Contracting Officer shall obtain the approvals for the dollar value ranges indicated.

If any person required to sign in these blocks disapproves this justification, he/she shall return it to the requesting activity with a written determination.

The requesting activity may obtain the name of the "Contracting Activity Competition Advocate" from the cognizant contracting office.

The "Head of Contracting Activity" is defined at Subpart 2402.1 of the HUD Acquisition Regulation (48 CFR Chapter 24). The cognizant contracting office may also provide the name of this individual.

## Justification and Approval for Other than Full and Open Competition

Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements

Authority - § 41 U.S.C. 253(c)(1)

Request for Contract Services R-2009-RB-00011

McDash Online Core Database subscription – 12 Month Subscription and Reporting Service

The following information is according to FAR § 6.302, *Content*.

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(a)(1) US Department of Housing and Urban Development is the Agency processing the Justification for other than full and open competition (JOFOC) action. The program office is the Office of Policy, Development, and Research. The contracting activity is OCPO, Chicago Operations Branch.

(a)(2) The action being approved is a twelve (12) month subscription service for the McDash Online Core Database.

(a)(3) The McDash Online Core Database subscription will provide HUD economists and policy analysts with market intelligence. The database provides mortgage loan details include:

- Origination date;
- Term;
- Property type;
- Occupancy;
- Credit score;
- Current/delinquency status;
- Variable rate information; and,
- Geographic details

The online interface will allow HUD analysts to use the most current mortgage data to efficiently respond to Secretarial and Congressional inquiries. The subscription includes monthly updates and user IDs for necessary HUD staff and contractors, monthly download of loan level data files, and monthly data summary reports (e.g., Warehouse Distribution Report; Lender Processing Services Market Monitor; Delinquency and Migration Analysis Report; Monthly Overview-Traditional Product; and, Monthly Overview-Exotic Product), and twenty-four hour user support.

The estimated value of the subscription is \$300,000/year, and \$309,000/year for the option year.

(a)(4) The authority the government is using to procure the database is 41 U.S.C. 253(c)(1) (FAR § 6.302-1), *Only One Responsible Source and No Other Supplies or Services will Satisfy Agency Requirements*.

(a)(5) The McDash Analytical database is one of two U.S. mortgage data aggregators that collect and clean mortgage data from mortgage services. FHA has a subscription for the other data aggregator, LoanPerformance.

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LoanPerformance data provides information on mortgage markets. The McDash Online Core Database offers loan-level data covering more than forty million active first mortgages and five million second mortgages (approximately 70% of the total mortgage market), spanning the spectrum of agency, non-agency and portfolio products. The database collects over eighty loan-level collateral attributes, including product type detail, geographic detail down to the ZIP level, ARM detail, FICO, document type, property value, occupancy type, property type, loan purpose, and loan size. HUD used a trial subscription of the online database, and PD&R and FHA analysts worked with the data, and concluded HUD would benefit having the McDash Online Core Database subscription service.

The McDash Online Core Database subscription service will meet HUD's objective of using the data and analytic products in analysis and research to inform public policy and provide information on trends and loan performance in US mortgage markets. Access to the database will provide HUD with real-time mortgage metrics with which to inform policy decisions, provide timely response to Congressional and Administration mortgage market data and performance requests. Access will also monitor originations, modifications, delinquencies, and foreclosures, and provide data for geo-spatial mortgage analysis and other mortgage market research projects.

HUD discussed its needs with other government agencies (i.e. Treasury, Federal Housing Finance Agency, Federal National Mortgage Association) and private market firms, and only the McDash Online Core Database has the required database that HUD needs.

(a)(6) The contracting officer researched the GSA eLibrary, and Lender Processing Services (acquired McDash Analytical in 2008) has a GSA contract (GS-23F-00505V) for "Financial and Business Solutions (FABS) – SIN 520). The contracting officer asked the contractor if the McDash Online Core Database subscription, is available under LPS's GSA contract. LPS stated the aforementioned is available as a commercial product, but is not available under LPS'FABS contract. As a result, OCPO will publicize a notice of proposed contract action, according to FAR § 5.201, **General**. OCPO will issue a notice according to FAR § 5.203(a)(2): *Use of combined synopsis and solicitation procedures (see FAR 12.603)*.

The notice required by FAR 5.201 shall state that any bids, proposals, quotations, or capability statements submitted in response to the notice will be considered.

(a)(7) The McDash Online Core Database subscription service is commercially available. The contracting officer will be able to use the proposal analysis techniques cited in FAR §§ 15.404-1(b)(2)(iv) and/or 15.404-1(b)(2)(vi). The contracting officer is determining the anticipated cost/price of the database subscription will be fair and reasonable.

(a)(8) The government conducted market research, and concluded its needs may be met by an item that's customarily available in the market place (FAR § 10.002(b)(1)(i)(A). HUD conducted its market research by discussing its needs with other government agencies

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and private market firms, and concluded no other contractors can provide the requested database subscription service. The contractor, Lender Processing Services, has a GSA contract (GS-23F-00505V), but the McDash Online Core Database subscription service, is not available under the aforementioned GSA contract.

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(a)(9)(i) The McDash Online Core Database subscription is commercially available, so technical data packages, engineering descriptions, statement of work, or purchase descriptions are not available.

(a)(10) The only contractor who's expressed an interest is Lender Processing Services. Lender Processing Services purchased McDash Analytical in 2008. The actual name of the division who will provide the McDash Online Core Database subscription is LPS Applied Analytics.

(a)(11) Limited competition exists; however, the other competing databases do not have the level of comprehensive data needed by the Program offices. The government will procure the McDash Online Core Database subscription for one base year, and have the option to extend the subscription for one additional year. The option year will give potential contractors time to develop a database to meet HUD's needs. The option year will also afford HUD the ability to "test" this database. HUD will still have the McDash Online Core Database subscription service, to meet it's objectives during the "test" period.

(a)(12) By signing this document, the contracting officer is certifying, to the best of the contracting officer's belief and knowledge, this justification is accurate and complete.

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Gene Hamilton Jackson, Contracting Officer

Office of the Chief Procurement Officer

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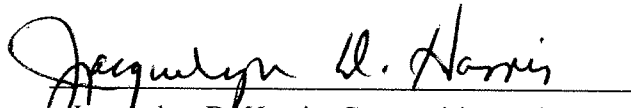
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Gene Hamilton Jackson, Contracting Officer  
Office of the Chief Procurement Officer

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Date

  
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Jacquelyn D. Harris, Competition Advocate  
Office of the Chief Procurement Officer

  
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Date