

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

BOARD OF DIRECTORS MEETING



IRISES IN THE GARDEN, SAINT- REMY

VINCENT VAN GOGH 1889

Thursday, April 21, 2016

Little Rock, Arkansas

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
BOARD OF DIRECTORS MEETING**

Thursday, April 21, 2016

12:30 p.m. - Executive Loan Session (Bond Guaranty Loans)

1:30 p.m. - Public Board Meeting

AGENDA FOR PUBLIC MEETING

- Roll call and note of absences.
- Approval and adoption of minutes from the March 17, 2016 meeting of the Board of Directors.

I. OTHER BUSINESS:

- Loan Committee
- Board Committee Reports

Board Housing Review Committee
Board Audit Committee

II. NEW BUSINESS:

Resolution No. 1. A resolution, identified under Tab 1, authorizing the preparation and use of certain documentation in connection with the marketing, sales and issuance of the Authority's Educational Facilities Revenue Refunding Bonds (Pulaski Academy Project), Series 2016 (The "Bonds"); designating the Underwriter, Bond Counsel and Trustee for the Bonds; and authorizing and prescribing other matters pertaining thereto.
(Presenter-Gordon Wilbourn)

III. ADJOURNMENT:

The next regular meeting of the ADFA Board of Directors is scheduled for **Thursday, May 19, 2016**, in the Second Floor (2nd) Conference Room, 900 West Capitol, Little Rock, Arkansas.

Tab 1

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
RESOLUTION**

A RESOLUTION AUTHORIZING THE PREPARATION AND USE OF CERTAIN DOCUMENTATION IN CONNECTION WITH THE MARKETING, SALE AND ISSUANCE OF THE AUTHORITY'S EDUCATIONAL FACILITIES REVENUE REFUNDING BONDS (PULASKI ACADEMY PROJECT), SERIES 2016 (THE "BONDS"); DESIGNATING THE UNDERWRITER, BOND COUNSEL AND TRUSTEE FOR THE BONDS; AND AUTHORIZING AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the Arkansas Development Finance Authority (the "Authority"), a public body politic and corporate of the State of Arkansas created under the provisions of the Arkansas Development Finance Authority Act, as amended, codified in Arkansas Code Annotated Sections 15-5-101 *et seq.* (Repl. 2009 & Supp. 2015) (the "Act"), is authorized by the Act to issue its revenue bonds to finance and refinance educational facilities; and

WHEREAS, the Authority hereby agrees to issue one or more series of its taxable or tax-exempt Educational Facilities Revenue Refunding Bonds (Pulaski Academy Project), Series 2016 (the "Bonds"), in principal amount not to exceed \$24,500,000, as authorized by the Act, and to lend the proceeds thereof to Pulaski Academy, an Arkansas non-profit corporation (the "Borrower"), for the purpose of (i) refunding the entire outstanding principal amount of Pulaski County, Arkansas Public Facilities Board Educational Facilities Improvement and Refunding Revenue Bonds (Pulaski Academy Project), Series 2007A (the "Prior Bonds"), and (ii) paying costs of issuance of the Bonds; and

WHEREAS, the Authority has determined that the economic interests and public purposes of the Authority would be served by the issuance of the Bonds; and

WHEREAS, the Bonds shall not constitute debt or liability or a moral obligation of the State of Arkansas (the "State"), the Authority or any political subdivision of the State, or a pledge of the faith and credit or taxing power of the State, the Authority or any political subdivision of the State, but shall be a special obligation payable solely from the revenues pledged under the provisions of the Bond documents and other amounts payable thereunder by the Borrower; and

WHEREAS, in order for the Underwriter (identified below) to market the Bonds, it is necessary to authorize the preparation and distribution of a Preliminary Official Statement and various other documents securing and otherwise concerning the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY THAT:

Section 1. *Authorization to Prepare Documents Related to the Issuance of the Bonds.* Bond Counsel (hereinafter named), with the advice and assistance of the President, Vice Presidents, Public Finance Officer and other officers of the Authority, may prepare documents for the authorization, marketing, sale, issuance and securing of the Bonds; provided however, the Board of Directors of the Authority shall first adopt an authorizing resolution before any such documents are binding upon the Authority. After preparation of such documents, the President may in his sole discretion present such documents to the Board of Directors of the Authority for approval.

Section 2. *Authority to Prepare and Distribute Preliminary Official Statement.* To provide for the marketing and sale of the Bonds, there is hereby authorized the preparation and distribution of a Preliminary Official Statement (the "Preliminary Official Statement") setting forth information concerning the Bonds, the Borrower, the Issuer, the refunding of the Prior Bonds and other matters. The President of the Authority is hereby authorized to review, approve and "deem final" (within the meaning of Rule 15c2-12 of the Securities and Exchange Commission) the Preliminary Official Statement. The Underwriter, upon final approval of the President, is authorized to rely upon and to use the Preliminary Official Statement to market the Bonds to potential investors. The distribution of the Preliminary Official Statement in marketing the Bonds is hereby approved.

Section 3. *Designation of Bond Counsel and Trustee.* The firm of Kutak Rock LLP is hereby designated as bond counsel to the Authority (the "Bond Counsel") in connection with the issuance of the Bonds and the preparation of the documents to be entered into by and among the Authority, the Borrower, the Trustee (hereinafter named) and the Underwriter (hereinafter named). First Security Bank, Searcy, Arkansas is hereby designated as trustee (the "Trustee") for the Bonds.

Section 4. *Designation of Underwriter.* The firm of Crews & Associates, Inc. is hereby designated as underwriter (the "Underwriter") for the purpose of marketing the Bonds and advising the Authority concerning financial matters relating to the refunding of the Prior Bonds.

Section 5. *Authority's Review and Approval of Costs of Issuance.* This resolution and the approvals contained herein are subject to the Authority's review and approval of costs of issuance, including counsel fees and underwriter's discount.

Section 6. *Severability.* If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 7. *Repeal of Resolutions in Conflict.* All resolutions and parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 8. *Effective Date.* This Resolution shall be in full force and effective immediately upon its passage and approval.

PASSED: _____, 2016

APPROVED:

By: _____
Dr. Richard Burnett, Chair

ATTEST:

By: _____
Aaron Burkes, President/Secretary

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
MEETING OF THE BOARD OF DIRECTORS
March 17, 2016

The Board of Directors of the Arkansas Development Finance Authority held its regular board meeting on Thursday, March 17, 2016, at approximately 1:30 p.m., in the Bessie B. Moore Conference Room, 900 West Capitol, Little Rock, Arkansas.

ADFA Board members present: Dr. Richard Burnett, Chair; John Cooley, Vice-Chair; Anthony Brooks; Stan Green; Greg Stanfill; Seth Mims; Stephen Rose; Tom Spillyards; Denise Sweat; Sarah E. Capp; Ricky Quattlebaum, Administrator of Internal Audit for Arkansas Department of Finance and Administration and Aaron Burkes, President and Board Secretary of the Authority.

Absent: Charley Baxter.

ADFA Staff present: Patrick Patton, Vice President of Internal Audit; Nancy Covington, Assistant to President; Ro Arrington, Public Finance Officer; Layne Anderson, General Counsel; Brad Henry, Vice President of Development Finance; Derrick Rose, Communications; Cheryl Schluterman, Vice President of Finance & Administration; Kristy Cunningham, Controller; Bev Lambert, Development Finance; Kristy Cunningham, Accounting; Kent Vestal, Multi-Family Manager and Lornea Wells, Multi-Family Tax Credits.

Others present: Jim Hathaway, Kutak Rock; Taylor Marshall, Friday, Eldredge & Clark; Michele Allgood, Mitchell Williams; Kate Fletcher, William and Anderson; Jack Williams, Williams and Anderson; Edmond Hurst, Crews & Assoc.; Leigh Ann Biernat, Stephens; John Bryant, Mitchell Williams; Stan Russ, Regions; Kristine Knight, RichSmith Development; Glenda Dean, Simmons; Kathleen Orlandi, Hawkins Delafield and Shelli Jordan, Regions.

NEW BUSINESS ~ COMMITTEE REPORTS

ADFA's Loan Committee. Dr. Burnett called on Brad Henry to present any loans for the board's consideration.

Minutes. The committee approved the minutes from the February 18, 2016, meeting of the loan committee.

Maumelle Foundation for Education, Inc. The committee recommended approval of a conduit application in the amount not to exceed \$17,000,000 for Academics Plus Charter School Project, subject to final collateral evaluation. Mr. Cooley made a motion to approve the application. Mr. Spillyards seconded the motion. By roll call and by roll call, all members present voted, with one abstention by board member Greg Stanfill, and the motion passed.

BlueInGreen. The committee recommended approval of an ADFA Guaranty Agreement with First Security Bank in the amount of \$200,000 (ADFA's guaranty is \$160,000 -80%) for six (6) months, with an option to renew for an additional 6 months, if necessary, for the production of an industrial Water Purification System. Mr. Brooks made a motion to approve the request. Mr. Spillyards seconded the motion. By roll call, all members present voted, with one abstention by board member Stan Green, and the motion passed.

The committee recommended approval of an ADFA Guaranty Agreement with First Security Bank in the amount of \$200,000 (ADFA's guaranty is \$160,000 -80%) for six (6) months, with an option to renew for an additional 6 months, if necessary, for the production of one SDOX-400 Super Oxygenation System and one Liquid Oxygen System. Mr. Brooks made a motion to approve the request. Mr. Rose seconded the motion. By roll call, all members present voted, with one abstention by board member Stan Green, and the motion passed.

Board Professional Selection Committee. Dr. Burnett called on John Cooley to present the report from the Board Professional Selection Committee.

Department of Correction Series 2009A Refunding. Patrick Patton presented the staff recommendation to approve the refunding of the Department of Corrections Series 2009 A, subject to successful fee negotiations. Mr. Cooley made a motion to approve the Department of Correction Series 2009A, not to exceed \$30,000,000 and contingent upon successful fee negotiations. Mr. Spillyards seconded the motion. By roll call, all members present voted, and the motion passed unanimously.

NEW BUSINESS ~ MINUTES AND RESOLUTIONS

Minutes. Dr. Burnett asked for approval of the minutes from the February 18, 2016 Board of Directors Meeting. Mr. Brooks made a motion to approve the minutes. Mr. Spillyards seconded the motion. By roll call, all members voted and the motion passed unanimously.

Resolution No. 1. Dr. Burnett called on Michele Allgood to present the resolution identified under Tab 1, expressing the intent of the Arkansas Development Finance Authority to reimburse expenditures of the Authority and the Borrower (Academics Plus Charter School Project) pertaining to certain capital improvements from the proceeds of Capital Improvement Revenue Bonds to be issued by the Authority; approving and authorizing the execution and use of a Preliminary Official Statement in connection with the marketing of the Authority's Capital Improvement Revenue Bonds; authorizing the Bond Purchase Agreement; authorizing and prescribing other matters pertaining thereto. Mr. Rose made a motion to approve the resolution. Mr. Stanfill seconded the motion. By roll call, all present members voted, and the motion passed.

Resolution No. 2. Dr. Burnett called on Michele Allgood to present the resolution identified under Tab 2, approving and authorizing the execution and use of an offering document in connection with the marketing of the Authority's State Agencies Facilities Revenue Refunding Bonds (Arkansas Department of Correction) ; authorizing the execution of a Purchase Agreement; and authorizing and

prescribing other matters pertaining thereto. Mr. Spillyards made a motion to approve the resolution. Mr. Green seconded the motion. By roll call, all present members voted and the motion passed.

Adjournment. Dr. Burnett stated the next Board meeting would be held on Thursday, April 21, 2016, at 900 West Capitol, Little Rock, Arkansas. The starting time for the executive session and public meeting will be announced at a later date. There being no further business, Dr. Burnett adjourned the meeting.

Minutes approved and signed this 21st day of April, 2016.

Aaron Burkes, President/Secretary

Dr. Richard Burnett, Chair
John Cooley, Vice-Chair



MEMORANDUM

TO: ADFA Board of Directors
FROM: Aaron Burkes, President *AB*
DATE: April 13, 2016
RE: Board Report

- This month's board orientation session will highlight ADFA's homeownership programs. The staff will describe the division's current programs and introduce a new innovative program. The tentative schedule for future orientation sessions are as follows:
 - May – HOME Investment Partnerships Program (HOME)
 - June – Housing Trust Fund
 - July – Low Income Housing Tax Credit Program
 - August – Venture Capital
 - September & October – Finance and Administration
 - November – Public Finance
 - December- Development Finance Programs
- ADFA is hosting a visit by Standard and Poor's Rating Services on June 8th and 9th for a review of the State's GO Rating. The Authority has been chosen to lead a presentation that will include meetings with the governor and other state officials.
- The Authority is moving toward a July closing for its first Single Family Bond Issue since 2013. We anticipate having \$30 million in lendable funds with an attractive interest rate.
- We are pleased to be considering a \$28 million conduit bond issue for Pulaski Academy.
- Ro Arrington is representing ADFA on April 21st in Washington D.C. at a conference being held at the White House regarding the importance of public – private collaboration on infrastructure development and financing.

The schedule for Thursday, April 21, 2016, is as follows:

9:30 a.m.	Board Housing Review Committee
10:30 a. m.	Board Audit Committee
11:00 a.m.	Board Professional Selection Committee
11:30 a.m.	Lunch will be served – 3 rd Floor Conference Room
12:30 p.m.	Non-Public "Loan Review Session"
1:30 p.m.	Public Board meeting



M E M O R A N D U M

TO: ADFA Board Members VK
FROM: Ben Van Kleef, Vice President of Housing
DATE: April 13, 2016
SUBJECT: Monthly Board Report of Housing Division Activities (2/1/16 – 3/31/16)

MULTI-FAMILY

ADFA Multi-family staff members, Gary Arrington and Lornea Wells, are doing initial reviews and have started underwriting the 37 LIHTC applications received on March 7, 2016. Initial review comments are to be delivered by April 22, 2016. HOME staff member, Alison Keator, is in the underwriting stage of the 12 applications received in the LIHTC/HOME 2016 round.

Asset Manager for the ARRA developments, Don Pennington, is doing the annual review of the audited financials for each ARRA development.

HOME

1) Owner-Occupied Applications Received and Not Approved

- a) Six (6) projects cumulatively requesting approximately \$2.8 Million in HOME:
- i. **City of Magnolia** application # 150055 is requesting \$525,800.00 to assist five (5) homeowners in the city of Magnolia, AR. Application deficiency letter has been sent and no written update has been provided.
 - ii. **City of Bald Knob** application # 150057 is requesting \$396,000.00 in construction and project delivery to assist five (5) homeowners in the city of Bald Knob, AR. Being reviewed by Staff.
 - iii. **City of Fordyce** application #150058 is requesting \$466,000.00 to assist five (5) homeowners in the city of Fordyce, AR. Pending environmental and staff review.

- iv. **Boys, Girls and Adults Community Development Center (BGACDC)** application #150059. Request for \$413,511.57 to assist nine (9) homeowners in Phillips County. Pending second review and ER clearance.
- v. **Warren Housing Authority** application # 150061. Request for \$495,000 construction and project delivery cost to assist five (5) homeowners in the city of Magnolia, AR. Staff review is complete and ER clearance is pending.
- vi. **Arkansas Land and Farm Development Corporation (ALFDC)** application #150062. Request for \$495,000.00 to assist five (5) homeowners and project delivery costs for residence in Cross and St. Francis Counties. Under staff review.

b) Project & Activity Status-Underway and Approved with HOME Funds (Homeowner-Occupied Rehabilitation, Reconstruction, and Manufactured Home Replacements).

- i. There are eighteen (18) active homeowner projects consisting of one hundred fourteen (114) individual activities. Twenty-eight (28) are complete and sixty-seven (67) are in various stages of completion.
- ii. Staff completed nineteen (19) homeowner loan closings, three (3) agreements and two (2) amendments. Technical Assistance (TA) was provided to both city and county governments with low performing projects as well as to their consultant. TA was also provided to various consultants working on applications in preparation for submission for HOME Funds.

2) HOME Funded Rental Projects and Activities

- a) Retainage draw processed 3/22/16 for Parkwood PDC. Project is completed.
- b) Closed three (3) of the thirteen (13) HOME projects that were funded in the 2015 application round. The remaining ten (10) projects are in different phases of closing. All 2015 projects should be closed by May 2016.
- c) Pre-Construction conferences have been held for Ross Apartments, Walnut Lane and Meadow Park projects. ADFA's Notice-To-Proceed has been issued for each project.
- d) Reviewing eleven (11) HOME Applications for the 2016 LIHTC/HOME round.

3) CHDO Homebuyer Applications (Community Housing Development Organization)

- a) Staff executed the HOME Agreements and closed both Better Community Development's (BCD) Apple Blossom Phase II and Crawford-Sebastian County Community Development Corporation (C-SCDC) Bluebird Subdivision projects. Pre-construction conferences are complete.
 - i. BCD Apple Blossom completed construction of all five (5) homes and sold one (1) unit. Currently they are working with additional homebuyer's for the remaining four (4) locations.
 - ii. C-SCDC Bluebird project has closed all seven (7) lots with construction underway and almost complete on two locations.
 - iii. Michael closed two (2) CHDO homebuyer loans.

4) Ownership Transfers

There are over fifty (50) individual files involving deceased mortgagors. ADFA housing, compliance and loan servicing departments are working together to assist probate attorneys and families with maintaining ownership and HOME program requirements.

5) Tenant Base Rental Assistance (TBRA) - No applications taken.

6) Workshops/Trainings attended/presented by HOME Department

- a) **February 3, 2016** – Ben Van Kleef, Kent Vestal and Michael Gilliard met with Dr. King with ALFDC's participation in a committee to increase funding and programmatic partnerships while providing access and credentials assistance for small and minority contractors.
- b) **February 9, 2016** – Ben Van Kleef, Kent Vestal and Michael Gilliard met with Sara Sherrod, Audit Staff of the Legislative Joint Auditing Committee, regarding a report on HOME funds and rehabilitation projects.
- c) **February 17, 2016** – Michael Gilliard attended Technical Assistance for Mayors (TAM) and presented ADFA HOME Program and eligible uses of project funding in Pine Bluff, at the University of Arkansas at Pine Bluff Business Incubator Center.
- d) **February 25, 2016** – Dermott, AR – Michael Gilliard presented the ADFA Consolidated Plan at community forum.

- e) **March 16, 2016** – Michael Gilliard presented TAM, ADFA HOME Programs, and eligible uses of project funding at the University of Arkansas at Monticello.
- f) **March 16, 2016** - Michael Gilliard presented TAM, ADFA HOME Programs, and eligible uses of project funding at the University of Arkansas at Monticello.
- g) **March 21 – 25, 2016** – Michael Gilliard assisted Ms. Sherrod, LEG Audit Staff with Q & A regarding the ADFA rehabilitation process from funding to homeowner.

Single Family Division Homeownership Programs

MBS Program Comments: Beginning with the January 2016 report on Single Family activities we are using the numbers for first and second mortgage loans that have actually closed. Previously, we used numbers that were based on Reservations which did not take into consideration loans that were cancelled from our Internet Reservation System. The new calculation will give a much more accurate picture of Single Family Program activity.

- 1) **“Home-To-Own” First Mortgage Loan:** A 30 year fixed rate first mortgage loan which is funded by selling Mortgage-Backed Securities to Raymond James.

“Home-To-Own” Program Loans Closed

January - March	2015	2016
Amount	\$ 7,195,317	\$ 7,566,612
# of Loans	70	74
Average Loan Amount	\$ 102,790	\$ 102,252

- 2) **Down Payment Assistance (DPA) Second Mortgage:** The interest rate is 4.00%. It is a second mortgage, minimum \$1,000 up to a maximum of \$6,000 amortizing over 10 years. The source of these funds is the ADFA General Fund.

Down payment Assistance (DPA) Loans Closed

January - March	2015	2016
Amount	\$ 244,878	\$ 269,901
# of Loans	46	50
Average Loan Amount	\$ 5,323	\$ 5,398

3) **Arkansas Dream Down Payment Initiative (ADDI):** A “soft” second mortgage at 0% interest with a five year affordability period. Funded by the HOME Investment Partnership Program (HOME). ADDI is not a grant.

ADDI Loans Closed

January - March	2015	2016
Amount	\$ 217,524	\$ 298,894
# of Loans	42	54
Average Loan Amount	\$ 5,179	\$ 5,535

4) **Mortgage Credit Certificate (“MCC”) Program**

a) **2014 Mortgage Credit Certificate Program:**

- 1) \$55 million in first mortgage loans originated.
- 2) Average amount of first mortgage loan = \$110,998
- 3) 358 Mortgage Credit Certificates issued.
- 4) \$27 million committed in Federal tax benefit to MCC applicants.
- 5) 140 applications in pipeline.
- 6) 55% of the initial \$100 million has been allocated.
- 7) Approx. \$276,385 in Issuance Fees to be collected by ADFA.

b) **2014 Mortgage Credit Certificate Program** is the only active MCC Program at this time. The 2015 MCC Program has been approved by the ADFA Board but we don’t expect to start issuing MCC’s until the middle of 2016.

ACTIVITIES IN FEBRUARY & MARCH, BY ADFA PERSONNEL

February 3, 2016

Arkansas Housing Trust Fund Advisory Committee at ADFA

Attended by Ben Van Kleef, Kent Vestal, and Virginia Wright

February 23, 2016

Single Family Lender Training

InterLinc Mortgage Services, LLC and Movement Mortgage

Conducted by Barbara Whittaker

March 2, 2016

Arkansas Housing Trust Fund Advisory Committee at ADFA

Attended by Ben Van Kleef, Kent Vestal, and Virginia Wright

March 31, 2016

Rausch Coleman's Bear Paw Subdivision Open House

Attended by Barbara Whittaker

HOME Program Monthly Board Report

HUD REPORT

Through the period ending February 29, 2016

FY	TOTAL ALLOCATION	TOTAL PROGRAM INCOME	TOTAL RESERVED FOR ADMIN OPER	TOTAL COMMITTED FOR PROJECTS (AS OF 2/29/16)	TOTAL DOLLARS DISBURSED	BALANCE REMAINING TO BE DISBURSED
2009	14,001,563.00	1,696,431.72	1,400,156.30	13,975,477.30	14,929,169.49	768,825.23
2010	13,983,361.00	1,929,209.90	1,398,336.10	12,427,856.79	13,495,198.12	2,417,372.78
2011	12,269,079.00	2,407,907.63	1,226,907.90	11,556,683.94	12,221,960.30	2,455,026.33
2012	7,725,281.00	3,940,630.50	772,528.10	8,703,294.33	8,892,001.99	2,773,909.51
2013	7,314,340.00	2,142,031.18	731,434.00	4,536,647.85	4,848,505.91	4,607,865.27
2014	7,565,698.00	3,323,656.06	756,569.80	7,160,764.05	5,963,302.05	4,926,052.01
2015	6,525,503.00	1,886,118.00	652,550.30	1,937,463.90	2,133,221.80	6,665,974.88
TOTALS						
ALL YEARS	69,384,825.00	17,325,984.99	6,938,482.50	60,298,188.16	62,483,359.66	24,615,026.01

HOME PROGRAM	
<u>Applications Pending Approval of Board HRC, 3/17/16:</u>	
CHDO Operating	
CHDO Set Aside	
Homeowner New Construction & Rehab	
Multi-Family New Construction & Rehab	
Tenant-Based Rental Assistance	
Total Pending Applications	\$0.00

INSPECTIONS AND PROJECTS

In February 2016, HOME spent \$9,469.23 in outsourced inspections.

HOME Program Monthly Board Report

HUD REPORT

Through the period ending March 31, 2016

FY	TOTAL ALLOCATION	TOTAL PROGRAM INCOME	TOTAL RESERVED FOR ADMIN OPER	TOTAL COMMITTED FOR PROJECTS (AS OF 3/31/16)	TOTAL DOLLARS DISBURSED	BALANCE REMAINING TO BE DISBURSED
2009	14,001,563.00	1,696,431.72	1,400,156.30	14,101,968.18	15,110,263.00	587,731.72
2010	13,983,361.00	1,929,209.90	1,398,336.10	12,456,672.84	13,515,754.90	2,396,816.00
2011	12,269,079.00	2,407,907.63	1,226,907.90	11,568,584.44	12,234,881.80	2,442,104.83
2012	7,725,281.00	3,940,630.50	772,528.10	8,849,624.28	8,909,558.99	2,756,352.51
2013	7,314,340.00	2,142,031.18	731,434.00	4,536,647.85	4,851,821.91	4,604,549.27
2014	7,565,698.00	3,323,656.06	756,569.80	7,149,469.05	5,970,354.39	4,918,999.67
2015	6,525,503.00	2,268,198.00	652,550.30	2,144,813.29	2,184,398.41	6,998,573.86
TOTALS						
ALL YEARS	69,384,825.00	17,708,064.99	6,938,482.50	60,807,779.93	62,777,033.40	24,705,127.86

HOME PROGRAM

<u>Applications Pending Approval of Board HRC, 4/21/16:</u>	
CHDO Operating	
CHDO Set Aside	
Homeowner New Construction & Rehab	\$396,000.00
Multi-Family New Construction & Rehab	
Tenant-Based Rental Assistance	
<u>Total Pending Applications</u>	<u>\$396,000.00</u>

INSPECTIONS AND PROJECTS

In March 2016, HOME spent \$5,560.06 in outsourced inspections.

COMPLIANCE

Mar 2016 Delinquent Fees Report

Monitoring Fees

Billed from Compliance Schedule

PROJECT NAME & CITY		OWNER & MANAGEMENT CO	BILLING DATE	TOTAL DUE	
Delta Cove Apartments	Augusta	Herman Lee/PPM	6/30/2014	1,200.00	- Tom Embach to pay
Hawthorne Apartments	Prescott	Glynn Puryear/ASC	6/30/2015	600.00	Pmt Plan - Rec pmt 2/26/16 - \$100.00
Myrtle Terrace Apartments	Ashdown	William Puryear/Southland/ASC	6/30/2015	900.00	Pmt Plan - Rec pmt 2/8/16 - \$100.00
Murfreesboro Villas	Murfreesboro	Phil Terrell/MIDC	12/31/2015	1,200.00	
				<hr/>	
				3,900.00	

Non-compliance Fees

Property Name & CITY		Owner Name	Billed	Total Outstanding	
Malcolm Manor	West Memphis	Malcolm Manor LP	8/26/2013	500.00	
Delta Cove Apartments	Augusta	Delta Cove of Augusta LP	6/13/2014	150.00	- Tom Embach to pay
Malcolm Manor	West Memphis	Malcolm Manor LP	5/28/2015	550.00	
Murfreesboro Villas Apts	Murfreesboro	Murfreesboro Inc. Dev.	12/7/2015	350.00	
				<hr/>	
				1,550.00	

1-Mar-16

Monica Smith - Compliance

COMPLIANCE

APR 2016 Delinquent Fees Report

Monitoring Fees

Billed from Compliance
Schedule

<u>PROJECT NAME & CITY</u>	<u>OWNER & MANAGEMENT CO</u>	<u>BILLING DATE</u>	<u>TOTAL DUE</u>	
Hawthorne Apartments	Prescott	Glynn Puryear/ASC	6/30/2015	500.00 Pmt Plan - Rec pmt 4/7/16 - \$100.00
Myrtle Terrace Apartments	Ashdown	William Puryear/Southland/ASC	6/30/2015	800.00 Pmt Plan - Rec pmt 3/7/16 - \$100.00
Murfreesboro Villas	Murfreesboro	Phil Terrell/MIDC	12/31/2015	1,200.00 NO PAYMENT - REPORT TO BOARD
Heritage Heights Cottages	Siloam Springs	Judy Hobbs/Siloam Spr Hsg Auth	1/6/2016	3,850.00 Pmt Plan - Rec pmt 4/7/16 - \$200.00
Heritage Heights Lodge	Siloam Springs	Judy Hobbs/Siloam Spr Hsg Auth	1/6/2016	1,600.00 Pmt Plan-Rec Pmt 4/7/16-\$200.00
Kenwood Village Apartments	Siloam Springs	Judy Hobbs/Siloam Spr Hsg Auth	1/6/2016	600.00 Pmt Plan-Rec Pmt 4/7/16-\$200.00
			<u>8,550.00</u>	

Non-compliance Fees

<u>Property Name & CITY</u>	<u>Owner Name</u>	<u>Billed</u>	<u>Total Outstanding</u>	
Malcolm Manor	West Memphis	Malcolm Manor LP	8/26/2013	500.00 NO PAYMENT - REPORT TO BOARD
Malcolm Manor	West Memphis	Malcolm Manor LP	5/28/2015	550.00 NO PAYMENT - REPORT TO BOARD
Murfreesboro Villas Apts	Murfreesboro	Murfreesboro Inc. Dev.	12/7/2015	350.00 NO PAYMENT - REPORT TO BOARD
			<u>1,400.00</u>	

7-Apr-16

Monica Smith - Compliance

March 2016 Compliance Monitoring Activities

<u>Property Name - Owner - Contact</u>	<u># Units</u>	<u>Review Type</u>	<u>Review Date</u>	<u>Reviewed By</u>	<u>#Non-Compliant (#Life Threatening)/ # Units / # Files Reviewed</u>	<u>Review Grade</u>
<u>Argenta Square Apartments</u> - Argenta LP II c/o Argenta CDC - Hannah Vogler	56	LIHTC Compliance	03/07/2016	Catrina Donahue	5 (3) / 8 / 8	5 - 51% Non-Compliance
<u>Courtyard Cottages of Bryant</u> - Courtyard Cottages of Bryant Phase I LP - John Toney	52	HOME/LIHTC/TCAP	03/08/2016	Jeanne Johnson	0 (0) / 12 / 11	No Findings
<u>Courtyard Cottages of Bryant II</u> - Courtyard Cottages of Bryant Phase II LP - John Toney	52	HOME/LIHTC/TCAP	03/09/2016	Jeanne Johnson	2 (0) / 19 / 11	1 - 0-15% Non-Compliance
<u>Courtyard Cottages of Jacksonville I</u> - Courtyard Cottages of Jacksonville Phase I LP - John Toney	44	HOME/LIHTC/TCAP	03/15/2016	Jeanne Johnson	4 (0) / 14 / 9	1 - 0-15% Non-Compliance
<u>Courtyard Cottages of Jacksonville II</u> - Courtyard Cottages of Jacksonville Phase II LP - John Toney	44	HOME/LIHTC/TCAP/Exchange	03/16/2016	Jeanne Johnson	4 (1) / 13 / 9	1 - 0-15% Non-Compliance
<u>Donaghey Court Apartments</u> - Donaghey Court LP - Paul McGinnis	40	LIHTC Compliance	03/21/2016	Catrina Donahue	6 (5) / 8 / 8	5 - 51% Non-Compliance
<u>East Oakwood Place</u> - East Oakwood LP - Mary Boyd	50	LIHTC Compliance	03/22/2016	Catrina Donahue	0 (0) / 10 / 10	No Findings
<u>Eastview Terrace Apartments</u> - Eastview-2004 LLC - Gerald Krueger	100	LIHTC Compliance	03/16/2016	Catrina Donahue	13 (6) / 22 / 22	5 - 51% Non-Compliance
<u>Ridge at North Little Rock</u> - The Ridge at North Little Rock LP - Arby Smith	64	LIHTC Compliance	03/24/2016	Catrina Donahue	8 (2) / 13 / 13	5 - 51% Non-Compliance

Properties Monitored in March 2016 - 9

Any entity that receives federal funds, tax credit or other financial assistance through ADFA for eligible projects must be monitored for compliance with program laws and regulations. Each program is governed by its own unique laws.

Non-Compliance Score - A Non-Compliance score will be used to determine the overall non-compliance of existing properties. The non-compliance score will be based on information provided to the IRS via form 8823 Report of Non-Compliance. The score will be calculated as follows:

The Total Number of Units Determined to Have Non-Compliance Issues
Divided By
The Total Number of Units Reviewed by Agency
Equals
Percentage of Units with Non-Compliance Issues

The percentage of units with non-compliance issues will determine the non-compliance score, not to exceed 51% or 20:

- | | |
|--|------------------------------|
| - 51% or more units monitored with non-compliance issues | = Non-Compliance Score of 20 |
| - 41-50% | = Non-Compliance score of 15 |
| - 31-40% | = Non-Compliance score of 10 |
| - 16-30% | = Non-Compliance score of 5 |
| - 0-15% | = Non-Compliance score of 0 |

Reports of non-compliance, 8823s, issued in 2016 will be considered during the 2017 LIHTC application process as well as other applications for ADFA Housing resources. Negative Points will be assessed for Non-Compliance.

NSP 3

Grant Awarded from HUD	\$	5,000,000.00
Less: 5% admin fee	\$	250,000.00
Less: Projects Funded (see details below)	\$	4,750,000.00

Outstanding Commitments:				Less: Balance Remaining
<u>Closing Date</u>	<u>Development Name</u>	<u>Committed</u>	<u>Funded</u>	<u>to be Funded</u>
6/20/2012	The Manor, LLC	\$ 4,750,000.00	\$ 4,750,000.00	\$ -
Total Commitments and Fundings				\$ -
NSP-3 Funds Available to Commit at 02/29/2016				\$ -
Administration		\$ 250,000.00	\$ 42,617.89	\$ 207,382.11

in Mitas

Notes:
 Administrative accruals not yet paid total \$730.04. Future program income will be utilized to pay these fees.

AEDC-CDBG DISASTER FUNDS

Grant Awarded from HUD	\$	10,134,098.00
Less: Projects Funded (see details below)	\$	9,627,393.00

Outstanding Commitments:				Less: Balance Remaining
<u>Closing Date</u>	<u>Development Name</u>	<u>Committed</u>	<u>Funded</u>	<u>to be Funded</u>
6/7/2011	Woodmont Manor-Batesville Housing	\$ 968,437.00	\$ 968,437.00	\$ -
6/30/2011	Cottages of Good Shepard I LP-Cottages of Good Shepard I	\$ 1,350,000.00	\$ 1,350,000.00	\$ -
6/30/2011	Cottages of Good Shepard II LP-Cottages of Good Shepard II	\$ 1,350,000.00	\$ 1,350,000.00	\$ -
12/7/2011	Peaks at North Little Rock II LP-Peaks II	\$ 900,000.00	\$ 900,000.00	\$ -
12/15/2011	Orchards at Mabelvale II LP-Orchards at Mabelvale II	\$ 900,000.00	\$ 900,000.00	\$ -
1/3/2012	ALFD-Forrest City Housing Partner LP-Stonebrook Park	\$ 900,000.00	\$ 900,000.00	\$ -
1/3/2012	Villas of NLR II, LP-Villas of NLR II	\$ 900,000.00	\$ 900,000.00	\$ -
1/11/2012	Villas at Country Club II LP-Villas II	\$ 900,000.00	\$ 900,000.00	\$ -
6/22/2012	Helena Renaissance I LP-Old Helena High School	\$ 900,000.00	\$ 900,000.00	\$ -
7/18/2012	Jacksonville Partnership for Housing LP-The Meadows	\$ 500,000.00	\$ 500,000.00	\$ -
7/18/2013	Leisure Homes Corporation-Park Side Patio Homes orig. \$58,956.10	\$ 58,956.00	\$ 58,956.00	\$ -
Total Commitments and Fundings				\$ -

in Mitas (forgivable)
in Mitas
in Mitas
in Mitas
in Mitas
in Mitas (forgivable)
in Mitas
in Mitas
in Mitas
in Mitas
in Mitas

CDBG Funds Available to Commit at 02/29/2016	\$ 506,705.00 (1)
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Applications received but not submitted for board approval yet:
 - none
506,705.00 amount available if additional applications/requests were approved

Notes:
 (1) As of 02/29/2016, \$142,033.74 in administrative fees have been paid.
 Per HUD, admin expenses should be taken from AEDC's CDBG-DR grant admin set-aside and the full \$10,134,098 must be allocated for affordable rental housing.

TAX CREDIT ASSISTANCE PROGRAM

TCAP Bank Balance at 02/29/2016	\$ 992,137.04
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Breakdown:	
Program Income received life to date	\$ 992,615.29
Interest Income received life to date	\$ 326.75
Less: Program Income Spent for Trustee Fees life to date	\$ (805.00)
Unspent Program Income per Trust Account (cash balance) and Funds Available to Commit at 02/29/2016	\$ 992,137.04 (1)

Applications received but not submitted for board approval yet:
 - none
992,137.04 amount available if additional applications/requests were approved

Notes:
 (1) As of 02/29/2016, there are no outstanding commitments against these funds. Program restrictions will be required on future commitments for these funds.

Mortgage Settlement Funds

Reconciled Bank Balance at 2/29/2016 \$ 1,824,017.86

Less: Outstanding Commitments:

Signed Agreement	Development Name	Committed	Funded	Less: Balance Remaining to be Funded	
Homeowner Rehabilitation/Reconstruction:					
1/24/2013	Eastern Arkansas Community Outreach & Development Corp. (former St. Francis County Community Development Corp approved loan)	351,862.00	351,862.00	-	in Mitas
1/25/2013	City of Reed	253,000.00	253,000.00	-	in Mitas
3/27/2013	Drew County Public Facilities Board	351,714.00	351,714.00	-	in Mitas
3/27/2013	Eastern Arkansas Community Outreach & Development Corp.- various sites in Proctor, Marion and West Memphis	509,359.20	509,359.20	-	in Mitas
3/26/2013	City of Stuttgart II	324,500.00	324,500.00	-	in Mitas
5/6/2013	Arkansas Land & Farm Development Corp.-Various sites-Dermott	494,340.00	494,340.00	-	in Mitas
6/24/2013	Central Arkansas Planning and Development District-various sites in Lonoke, Scott, England and DeValls Bluff	507,659.00	409,259.00	98,400.00	in Mitas
9/25/2013	Third Party Consulting, Inc. (formerly CRT)-various sites in Garland, Holly Grove, Kingsland, Wrightsville	395,000.00	395,000.00	-	in Mitas
12/5/2013	City of McGehee	497,950.00	497,950.00	-	in Mitas
		3,685,384.20	3,586,984.20	98,400.00	
Tax Credit Properties:					
5/30/2013	Edgewood Apartments, LP-Lewisville	75,000.00	75,000.00	-	in Mitas
12/19/2014	S&B Development-Deer Run-Hamburg	226,000.00	226,000.00	-	in Mitas
returned obligation	Belmont Development-Garden Walk on 2nd-Ozark--RETURNED \$450K obligation	-	-	-	de-obligated
12/27/2013	Legacy at El Dorado LP-El Dorado	450,000.00	450,000.00	-	in Mitas
2/7/2014	Leisure Homes Corporation-Majestic View-Mountain Home	450,000.00	450,000.00	-	in Mitas
10/25/2013	Paragould Housing Dev Corp-Rolling Hills-Paragould	450,000.00	450,000.00	-	in Mitas
11/7/2013	Pine Cove Apartments-Fordyce	175,000.00	175,000.00	-	in Mitas
8/20/2015	Huntsville Town Branch LP--Town Branch-Huntsville	356,000.00	356,000.00	-	in Mitas
de-obligated	Housing Solutions Alliance-NLR, AR--Silver City Courts--DE-OBLIGATED \$450K 2/19	-	-	-	de-obligated
3/31/2015	JPM Development--Milwood Place-Clarksville	450,000.00	-	450,000.00	in Mitas
3/31/2015	JPM Development-Arkansas Affordable Two LP--West Helena Village-West Helena	450,000.00	405,000.00	45,000.00	in Mitas
12/14/2015	BRAD- Black River Housing, LP--2015 LIHTC recipient	450,000.00	397,333.90	52,666.10	in Mitas
		3,532,000.00	2,984,333.90	547,666.10	
Homeless Project:					
not signed yet	Old Ft. Smith Homeless Coalition-Riverview HOPE Campus Phase I-orig allocation	128,805.30	-	-	
	Old Ft. Smith Homeless Coalition-Riverview HOPE Campus Phase I-revolved funds*	45,028.14	*	-	
		173,833.44	-	173,833.44	
not applicable	Homebuyer Counselor Fees	540,000.00	540,000.00	-	
not applicable	Mortgage Default Counseling	285,000.00	285,000.00	-	
not applicable	NeighborWorks Training	50,000.00	46,456.25	3,543.75	
Total Commitments and Fundings (* including revolved funds & interest rcvd less fees)		8,266,217.64	7,442,774.35	823,443.29	
Settlement Funds Available at 1/31/2016			\$ 1,000,574.57		

REVISED BUDGET PER 4/18/2013 & 2/19/2015 & 5/21/2015 BOARD MEETINGS					
	Approved Budget	Approved By Board to date	Currently Available	Requests for Board Approval	Available upon Board Approval
Homebuyer Counselor Fees	\$ 540,000.00	\$ 540,000.00	\$ -	\$ -	\$ -
NeighborWorks Training Courses for Homebuyer	\$ 50,000.00	\$ 50,000.00	\$ -	\$ -	\$ -
Mortgage Default Counseling	\$ 285,000.00	\$ 285,000.00	\$ -	\$ -	\$ -
Homeowner Rehab/Recon	\$ 3,696,194.70	\$ 3,685,384.20	\$ 10,810.50	\$ -	\$ 10,810.50
Multi-Family Rental Rehab (tax credits)	\$ 4,300,000.00	\$ 3,532,000.00	\$ 768,000.00	\$ -	\$ 768,000.00
Homeless Project (approved usage of revolved funds and interest less fees as of 1/31/15- \$45,028.14 with orig. HO	\$ 173,833.44	\$ 173,833.44	\$ -	\$ -	\$ -
Interest earnings/NSF fees collected	\$ -	\$ -	\$ 681.72	\$ -	\$ 681.72
Loan Repayments Received (P&I)	\$ -	\$ -	\$ 223,232.35	\$ -	\$ 223,232.35
Trustee fees/Other Expenses	\$ -	\$ -	\$ (2,150.00)	\$ -	\$ (2,150.00)
Grand Total	\$ 9,045,028.14	\$ 8,266,217.64	\$ 1,000,574.57	\$ -	\$ 1,000,574.57

NSP 3

Grant Awarded from HUD	\$	5,000,000.00
Less: 5% admin fee	\$	250,000.00
Less: Projects Funded (see details below)	\$	4,750,000.00

Outstanding Commitments:		Committed	Funded	Less: Balance Remaining to be Funded
Closing Date	Development Name			
6/20/2012	The Manor, LLC	\$ 4,750,000.00	\$ 4,750,000.00	\$ -
Total Commitments and Fundings		\$ 4,750,000.00	\$ 4,750,000.00	\$ -
NSP-3 Funds Available to Commit at 03/31/2016				<u>\$ -</u>
Administration		\$ 250,000.00	\$ 42,617.89	\$ 207,382.11

in Mitas

Notes:
Administrative accruals not yet paid total \$730.04. Future program income will be utilized to pay these fees.

AEDC-CDBG DISASTER FUNDS

Grant Awarded from HUD	\$	10,134,098.00
Less: Projects Funded (see details below)	\$	9,627,393.00

Closing Date	Development Name	Committed	Funded	Less: Balance Remaining to be Funded
6/7/2011	Woodmont Manor-Batesville Housing	\$ 968,437.00	\$ 968,437.00	\$ -
6/30/2011	Cottages of Good Shepard I LP-Cottages of Good Shepard I	\$ 1,350,000.00	\$ 1,350,000.00	\$ -
6/30/2011	Cottages of Good Shepard II LP-Cottages of Good Shepard II	\$ 1,350,000.00	\$ 1,350,000.00	\$ -
12/7/2011	Peaks at North Little Rock II LP-Peaks II	\$ 900,000.00	\$ 900,000.00	\$ -
12/15/2011	Orchards at Mabelvale II LP-Orchards at Mabelvale II	\$ 900,000.00	\$ 900,000.00	\$ -
1/3/2012	ALFD-Forrest City Housing Partner LP-Stonebrook Park	\$ 900,000.00	\$ 900,000.00	\$ -
1/3/2012	Villas of NLR II, LP-Villas of NLR II	\$ 900,000.00	\$ 900,000.00	\$ -
1/11/2012	Villas at Country Club II LP-Villas II	\$ 900,000.00	\$ 900,000.00	\$ -
6/22/2012	Helena Renaissance I LP-Old Helena High School	\$ 900,000.00	\$ 900,000.00	\$ -
7/18/2012	Jacksonville Partnership for Housing LP-The Meadows	\$ 500,000.00	\$ 500,000.00	\$ -
7/18/2013	Leisure Homes Corporation-Park Side Patio Homes orig. \$58,956.10	\$ 58,956.00	\$ 58,956.00	\$ -
Total Commitments and Fundings		\$ 9,627,393.00	\$ 9,627,393.00	\$ -

in Mitas (forgivable)
in Mitas
in Mitas
in Mitas
in Mitas
in Mitas (forgivable)
in Mitas
in Mitas
in Mitas
in Mitas
in Mitas

CDBG Funds Available to Commit at 03/31/2016	<u>\$ 506,705.00</u>
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Applications received but not submitted for board approval yet:
- none
506,705.00 amount available if additional applications/requests were approved

Notes:
(1) As of 03/31/2016, \$142,033.74 in administrative fees have been paid.
Per HUD, admin expenses should be taken from AEDC's CDBG-DR grant admin set-aside and the full \$10,134,098 must be allocated for affordable rental housing.

TAX CREDIT ASSISTANCE PROGRAM

TCAP Bank Balance at 03/31/2016	\$	1,027,286.78
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Breakdown:		
Program Income received life to date	\$	1,027,632.47
Interest Income received life to date	\$	459.31
Less: Program Income Spent for Trustee Fees life to date	\$	(805.00)
Unspent Program Income per Trust Account (cash balance) and Funds Available to Commit at 03/31/2016	\$	<u>1,027,286.78</u>

Applications received but not submitted for board approval yet:
- none
1,027,286.78 amount available if additional applications/requests were approved

Notes:
(1) As of 03/31/2016, there are no outstanding commitments against these funds. Program restrictions will be required on future commitments for these funds.

Mortgage Settlement Funds

Reconciled Bank Balance at 3/31/2016 \$ 1,429,271.17

Less: Outstanding Commitments:

Signed Agreement	Development Name	Committed	Funded	Less: Balance Remaining to be Funded	
Homeowner Rehabilitation/Reconstruction:					
1/24/2013	Eastern Arkansas Community Outreach & Development Corp. (former St. Francis County Community Development Corp approved loan)	351,862.00	351,862.00	-	in Mitas
1/25/2013	City of Reed	253,000.00	253,000.00	-	in Mitas
3/27/2013	Drew County Public Facilities Board	351,714.00	351,714.00	-	in Mitas
3/27/2013	Eastern Arkansas Community Outreach & Development Corp.- various sites in Proctor, Marion and West Memphis	509,359.20	509,359.20	-	in Mitas
3/26/2013	City of Stuttgart II	324,500.00	324,500.00	-	in Mitas
5/6/2013	Arkansas Land & Farm Development Corp.-Various sites-Dermott	494,340.00	494,340.00	-	in Mitas
6/24/2013	Central Arkansas Planning and Development District-various sites in Lonoke, Scott, England and DeValls Bluff	507,659.00	409,259.00	98,400.00	in Mitas
9/25/2013	Third Party Consulting, Inc. (formerly CRT)-various sites in Garland, Holly Grove, Kingsland, Wrightsville	395,000.00	395,000.00	-	in Mitas
12/5/2013	City of McGehee	497,950.00	497,950.00	-	in Mitas
		3,685,384.20	3,586,984.20	98,400.00	
Tax Credit Properties:					
5/30/2013	Edgewood Apartments, LP-Lewisville	75,000.00	75,000.00	-	in Mitas
12/19/2014	S&B Development-Deer Run-Hamburg	226,000.00	226,000.00	-	in Mitas
returned obligation	Belmont Development-Garden Walk on 2nd-Ozark--RETURNED \$450K obligation	-	-	-	de-obligated
12/27/2013	Legacy at El Dorado LP-El Dorado	450,000.00	450,000.00	-	in Mitas
2/7/2014	Leisure Homes Corporation-Majestic View-Mountain Home	450,000.00	450,000.00	-	in Mitas
10/25/2013	Paragould Housing Dev Corp-Rolling Hills-Paragould	450,000.00	450,000.00	-	in Mitas
11/7/2013	Pine Cove Apartments-Fordyce	175,000.00	175,000.00	-	in Mitas
8/20/2015	Huntsville Town Branch LP--Town Branch-Huntsville	356,000.00	356,000.00	-	in Mitas
de-obligated	Housing Solutions Alliance-NLR, AR--Silver City Courts--DE-OBLIGATED \$450K 2/19	-	-	-	de-obligated
3/31/2015	JPM Development--Milwood Place-Clarksville	450,000.00	405,000.00	45,000.00	in Mitas
3/31/2015	JPM Development-Arkansas Affordable Two LP--West Helena Village-West Helena	450,000.00	405,000.00	45,000.00	in Mitas
12/14/2015	BRAD- Black River Housing, LP--2015 LIHTC recipient	450,000.00	397,333.90	52,666.10	in Mitas
		3,532,000.00	3,389,333.90	142,666.10	
Homeless Project:					
not signed yet	Old Ft. Smith Homeless Coalition-Riverview HOPE Campus Phase I-orig allocation	128,805.30			
	Old Ft. Smith Homeless Coalition-Riverview HOPE Campus Phase I-revolved funds*	45,028.14 *			
		173,833.44	-	173,833.44	
not applicable	Homebuyer Counselor Fees	540,000.00	540,000.00	-	
not applicable	Mortgage Default Counseling	285,000.00	285,000.00	-	
not applicable	NeighborWorks Training	50,000.00	46,456.25	3,543.75	
Total Commitments and Fundings (* including revolved funds & interest rcvd less fees)		8,266,217.64	7,847,774.35	418,443.29	

Settlement Funds Available at 3/31/2016 \$ 1,010,827.88

REVISED BUDGET PER 4/18/2013 & 2/19/2015 & 5/21/2015 BOARD MEETINGS					
	Approved Budget	Approved By Board to date	Currently Available	Requests for Board Approval	Available upon Board Approval
Homebuyer Counselor Fees	\$ 540,000.00	\$ 540,000.00	\$ -	\$ -	\$ -
NeighborWorks Training Courses for Homebuyer	\$ 50,000.00	\$ 50,000.00	\$ -	\$ -	\$ -
Mortgage Default Counseling	\$ 285,000.00	\$ 285,000.00	\$ -	\$ -	\$ -
Homeowner Rehab/Recon	\$ 3,696,194.70	\$ 3,685,384.20	\$ 10,810.50	\$ -	\$ 10,810.50
Multi-Family Rental Rehab (tax credits)	\$ 4,300,000.00	\$ 3,532,000.00	\$ 768,000.00	\$ -	\$ 768,000.00
Homeless Project (approved usage of revolved funds and interest less fees as of 1/31/15- \$45,028.14 with orig. HO	\$ 173,833.44	\$ 173,833.44	\$ -	\$ -	\$ -
Interest earnings/NSF fees collected	\$ -	\$ -	\$ 947.17	\$ -	\$ 947.17
Loan Repayments Received (P&I & U/Cas	\$ -	\$ -	\$ 233,220.21	\$ -	\$ 233,220.21
Trustee fees/Other Expenses	\$ -	\$ -	\$ (2,150.00)	\$ -	\$ (2,150.00)
Grand Total	\$ 9,045,028.14	\$ 8,266,217.64	\$ 1,010,827.88	\$ -	\$ 1,010,827.88



Memorandum

TO: ADFA Board of Directors
FROM: Derrick Rose
DATE: April 13, 2016
SUBJECT: Board Report

- Feedback regarding ADFA's website continues to be positive with updates and changes continuing to be made. I'm always happy to hear any suggestions you might have regarding ways to make the site more useful or stand out. The web address is <http://adfa.arkansas.gov>.
- We are excited to be closing a new single family bond issue in July and anticipate an attractive interest rate that will allow ADFA to generate good publicity through both traditional press releases and social media.
- News clippings follow this report.

Kayne Anderson, NewRoad Capital form early stage growth fund

April 7, 2016 By [Luisa Beltran](#)

Kayne Anderson Capital Advisors LP and **NewRoad Capital Partners LLC** said April 7 they have partnered to form **Kayne NewRoad Ventures Fund II LP**. KNRVF II will invest in early-stage, technology-enabled businesses within retail and other large growth opportunities. The fund has received \$90 million in total commitments from investors in NewRoad Ventures Fund I, the **Arkansas Venture Development Fund**, other local Northwest Arkansas-based investors, and Kayne Anderson's high net worth and family office clients. Kayne and NewRoad are co-managing KNRVF II.

PRESS RELEASE

April 07, 2016 10:33 AM Eastern Daylight Time

LOS ANGELES & BENTONVILLE, Ark.-(BUSINESS WIRE)-Kayne Anderson Capital Advisors, L.P. ("Kayne Anderson") and NewRoad Capital Partners, LLC ("NewRoad") have partnered to form Kayne NewRoad Ventures Fund II, L.P. ("KNRVF II" or the "Fund"). The Fund will build on the success of NewRoad Ventures by continuing to partner with experienced management teams in early-stage, technology-enabled businesses within retail and other large growth opportunities. The Fund will also seek strategic opportunities to create demand-driven businesses to serve existing, unmet needs in the marketplace through its strategic partners and unique sourcing capabilities. KNRVF II has received total commitments of \$90 million from investors in NewRoad Ventures Fund I, the Arkansas Venture Development Fund, other local Northwest Arkansas-based investors, and Kayne Anderson's high net worth and family office clients.

"The State of Arkansas is excited by the partnership formed between Kayne Anderson and NewRoad, two well-respected investment firms with a history of being

strong partners. We are excited to support this new source of growth capital, which is expected to help drive economic and job growth here in Arkansas and in other capital constrained markets across the country," said Governor Asa Hutchinson. To date, KNRVF II has already made commitments of \$6.5 million to an innovative medical diagnostic testing business in Springdale, AR and a Kansas City, MO, software-as-a-service company in the call center application space. The Fund's investment approach is to actively source and make non-control investments in companies with recurring revenues that have proven demand for their products or services, but can benefit from accelerated growth through a direct capital investment and strategic partners who can add operational expertise. "My NewRoad partners and I are excited about deploying this capital to back high quality management teams and to continue to leverage our combined operating expertise to help create value for our companies and investors. With Kayne Anderson as our partner, this will only accelerate this area of focus for us," said Clete Brewer, Managing Partner of Kayne NewRoad Ventures.

"Kayne Anderson is proud to partner with NewRoad, located in the heart of retail, supply-chain and logistics companies and back entrepreneurs in Arkansas, the mid-continent region and other underserved markets. We share similar philosophies and I strongly believe that our combined resources coupled with the strategy of identifying niches where we can bring the combination of disciplined financing with knowledge and direct sourcing advantages sets our early stage fund apart," said Dave Walsh, Partner of Kayne Anderson Capital Advisors.

About Kayne NewRoad Ventures Fund II, L.P.

Kayne NewRoad Ventures Fund II, L.P. is a joint venture between Kayne Anderson Capital Advisors, L.P. and NewRoad Capital Partners, LLC. The Fund was formed to create and target demand-driven businesses with strong management teams in targeted market niches with operational expertise and capital to achieve outsized growth. The fund focuses on markets including retail, consumer packaged goods, supply chain & logistics, consumer healthcare, environmental and US manufacturing. The fund is co-managed by Kayne Anderson Capital Advisors, L.P. and NewRoad Capital Partners, LLC.

About Kayne Anderson Capital Advisors, L.P.

Kayne Anderson Capital Advisors, L.P., founded in 1984, is a leading independent alternative investment management firm focused on niche investing in upstream oil and gas companies, energy infrastructure, specialized real estate, middle market credit, and growth private equity. Kayne's investment philosophy is to pursue niches,

with an emphasis on cash flow, where its knowledge and sourcing advantages enable it to deliver above-average, risk-adjusted investment returns. Kayne manages over \$19 billion in assets (as of 2/29/16) for institutional investors, family offices, high net worth and retail clients and employs over 300 professionals in eight offices across the United States. Kayne Anderson Capital Advisors is SEC-registered investment adviser based in Los Angeles.

About NewRoad Capital Partners, LLC

NewRoad Capital Partners, LLC is a venture and growth equity firm focused on investing in technology-enabled businesses with an emphasis on retail, consumer packaged goods, supply chain, data, health & wellness, and US manufacturing. NewRoad Capital Partners is a SEC-registered investment adviser based in Bentonville, AR.

For more information, please visit our website: www.kaynecapital.com.

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Arkansas venture capital group partners to form new fund for entrepreneurial investments

by **Kim Souza** (<http://talkbusiness.net/author/ksouza42/>). Published Apr 8th, 2016
1:00 pm

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NewRoads Capital Partners of Bentonville has partnered with Los Angeles-based Kayne Anderson Capital Advisors to form Kayne NewRoad Ventures II that will build on the prior success of the two firms' investments in early stage, technology-based and other growth funding opportunities.

"My **NewRoad** (<http://newroadcp.com/>) partners and I are excited about deploying this capital to back high quality management teams and to continue to leverage our combined operating expertise to help create value for our companies and investors. With Kayne Anderson as our partner, this will only accelerate this area of focus for us," said Clete Brewer, managing partner of Kayne NewRoad Ventures.

Brewer said the new fund's investment approach is to actively source and make non-control investments in companies with recurring revenues that have proven demand for their products or services, but can benefit from accelerated growth through a direct capital investment and strategic partners who can add operational expertise.

He said the new fund has already received total commitments of \$90 million from investors in NewRoad Ventures Fund I, the Arkansas Venture Development Fund, other Northwest Arkansas-based investors as well as Kayne Anderson's high net worth and family office clients. To date, this second NewRoads fund has already made commitments of \$6.5 million to Springdale-based NowDiagnostics, a medical diagnostic testing business, and a Kansas City-based software-as-a-service company in the call center application business.

Entrepreneurial advocates are excited about the potential a second capital venture will hold for the region and state. Arkansas Gov. Asa Hutchinson said the two investment firms have a history of being strong partners.

"We are excited to support this new source of growth capital, which is expected to help drive economic and job growth here in Arkansas and in other capital constrained markets across the country," Hutchinson said in a statement.

Jeff Amerine, founder of Startup Junkie and longtime angel investor in the state, told Talk Business & Politics that "this is huge for the region and a fantastic step forward."

"Anytime a local venture group can join up with a world class partner with more than 40 years of experience it's a win. This fills a significant gap for funding among scalable ventures," said Amerine. "We have done a good job with angel investment networks providing seed money up to \$500,000 for several years now, but without growth capital to lend we run the risk of losing some of our startups to other regions who do provide second-stage funding."

Rick Webb, a retired Walmart executive and advocate/investor in the local startup scene, said the investment work led by NewRoads Capital's effort to establish a \$90 million fund is critical to the continued success of regional leaders' efforts to establish Northwest Arkansas as an entrepreneurial ecosystem.

"The fund combined with work in growing our startup community, improving the impact of our education system and growing in a strong network of business leader mentors will reshape our community by attracting and retaining critical technology and design talent needed to grow our overall economy and build on our great quality of life," Webb said.

Serial entrepreneur John James of Fayetteville-based Hayseed Ventures said the partnership is good for the state but the smaller ventures still need more support.

"This fund is a huge step in the right direction and an incredible milestone for the state, but this deal won't completely solve the funding needs of the local startup community. Unfortunately, there are very few companies in the state of Arkansas that currently meet the requirements for the \$5 to \$10 million dollar investments this fund will make," James told Talk Business & Politics.

James said the "pressing needs" for Arkansas' startup environment are for \$50,000 to \$750,000 investments.

"For the state to move forward, we need more active angel investors making \$50,000 to \$100,000 investments and a couple seed-stage funds capable of writing slightly larger \$250,000 to \$500,000 checks," he said.

Amerine said for several years many in the startup arena have sought a major player like Kayne Anderson, but it was the team at NewRoads that took the bull by the horns and got it done, noting that it's not easy to pull off this kind of partnership in the competitive world of capital ventures.

NewRoads Ventures in its first fund has already helped several ventures with Arkansas roots such as Databank, Hayseed Ventures, GrowthWise Partners, BlueinGreen, Now Diagnostics and Overwatch with capital and advisory needs. Los Angeles-based Kayne Anderson Capital Advisors manages more than \$19 billion in assets for institutional investors and high net-worth clients and has been in business since 1984.

"Kayne Anderson is proud to partner with NewRoad, located in the heart of retail, supply-chain and logistics companies and back entrepreneurs in Arkansas, the mid-continent region and other underserved markets. We share similar philosophies and I strongly believe that our combined resources coupled with the strategy of identifying niches where we can bring the combination of disciplined financing with knowledge and direct sourcing advantages sets our early stage fund apart," Dave Walsh, partner of Kayne Anderson Capital Advisors, said in a statement.

Comments

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FBI Peers Into Soul of the South Finances

by **Arkansas Business Staff**

Posted 4/11/2016 12:00 am

Did you know the FBI is interested in the flow of money surrounding the Soul of the South Network?

The crash-on-takeoff venture in west Little Rock was partially fueled with public money through the Arkansas Development Finance Authority and the Arkansas Economic Development Commission.

Inquiries about how the state came to invest more than \$1.7 million in the short-lived financial fiasco are being made.

The fundraising effort, which drew tax-credit financing and private investors, also is drawing scrutiny.

More than \$15 million was pumped into the money-losing media enterprise.

The cash bled out less than three years after plans were announced for the 24-hour regional broadcast network targeting African-Americans and employing 150 people at its Little Rock headquarters.

Arkansas Business

New Owner Takes Over Soul of the South Facility

by **Arkansas Business Staff**

Posted 4/4/2016 12:00 am

Did you know the west Little Rock headquarters of the Soul of the South Network has a new owner?

Media Gateway Facility LLC purchased the 30,800-SF studio complex at 1 Shackleford Drive from Rock City Media LLC.

We're told no money changed hands.

The \$1.27 million shown as the purchase price on the deed reflects the balance owed on a mortgage held by Arkansas Capital Corp.

The transaction reflects the dire financial straits of Rock City and its Soul of the South venture, further explored here: [Investors Battle Over Valuable Soul of the South License](#).

The name behind the new owner of the property is a familiar one: Matthew Davidge.

Last July, we told you that [Davidge made a short-lived offer to buy the property](#), but withdrew it.

The co-owner of Interactivation wrote to Arkansas Capital Corp. and offered an ominous assessment: "In my opinion, Soul of the South will fail unless new management is brought in, a new business strategy is adopted and new investment capital is raised. (Good luck with all that.)"

As part of the sale, various creditors with a security claim on the property made concessions.

The Arkansas Economic Development Commission agreed to lower the bar on the original grant reimbursement agreement that was part of the Soul of the South deal.

The \$500,000 grant awarded by AEDC will be considered repaid in full if Davidge's SSN Media Gateway LLC creates 70 new full-time positions with an average salary of \$15.50 per hour at the west Little Rock facility by March 1, 2018.

The original agreement with SSN Funding Ltd., representing Soul of the South investors, called for the creation of 111 new jobs with an average salary of \$27.11 by Dec. 17, 2017.

The change in terms reflects the equivalent of a \$144,844 write-down on the \$500,000 grant based on the amended reimbursement agreement.

Enter Frixxer

Davidge, a Brit by birth and East Coast dweller, intends to renovate the facility and base his new micro-content TV show there.

In a press release statement, the former MTV networks consultant noted:

“The people and the business climate in Little Rock are warm and welcoming. This will be a great home for my new show, Frixxer.

“I've spent a lot of time here over the last six months and like it a lot. I just wish there was a direct flight to New York.”

Davidge is a co-owner of Mag Rack, a video-on-demand TV service, and a former owner of The Wellness Network, linked with 2,300 U.S. hospitals.

Arkansas Business

Investors Battle Over Valuable Soul of the South License

by **George Waldon**

Posted 4/4/2016 12:00 am

Updated 2 hours ago

A schism among Soul of the South investors has erupted into a lawsuit over control of the venture's most valuable asset: the broadcast license for KMYA-TV, Channel 49.

One group of investors is challenging another's legal authority to strike a deal to sell the license for \$2.7 million. That transaction, pending approval by the Federal Communications Commission, includes the possibility of sharing in half of any additional money if the license is resold in a national auction.

A dissenting group questions why the would-be buyer, led by broadcast veteran William Pollack of Memphis, is even part of the equation. Why not simply put the license up for auction and reap 100 percent of what could be a very lucrative sale?

Selling the broadcast license represents a glimmer of hope for the battered investors and bruised creditors that include two state agencies who have poured more than \$15 million into the money-losing media enterprise in west Little Rock. It could also signal the end of the Soul of the South Network, which has relinquished ownership of the 30,000-SF headquarters it could no longer afford.

Although the internal dispute spilled out of the board room and into the public domain last month, participants remain tight-lipped. But there are documents aplenty that provide insight into the corporate conflict.

That conflict is complicated by the number of limited liability companies and overlapping layers of ownership in a national TV network targeting African-American viewers.

First, investors want the FCC and a court of law to determine whether I Square Media LLC or Rock City Media LLC legally holds the KMYA license. The answer to that question will affect how the proceeds of any sale will be distributed.

And that determination will be harder than it should be because the license was allegedly sold two years ago to Rock City Media. However, the transfer was never reported to the FCC, and the license is held in the name of I Square Media.

Among the interested parties is the Arkansas Development Finance Authority, which invested \$1 million through its Arkansas Venture Capital Trust. The money represents a 17.8 percent ownership stake in Soul of the South and makes the trust the single biggest investor.

The Arkansas Economic Development Commission loaned the enterprise \$750,000 with an eye toward job creation that has fallen woefully short of expectations.

Rightful Ownership

A complaint filed with the FCC on March 8 was followed three weeks later by a lawsuit in Pulaski County Circuit Court. Both actions seek to block the pending sale of the KMYA license to LR Telecasting LLC, half-owned by Pollack.

The March 28 lawsuit was brought by two limited liability companies and a limited partnership representing the interests of Melba Marshall, Richard Mays and Mac Hogan and a fourth Soul of the South investor, Linda Harding.

Mays filed the suit on behalf of his Skylar Media LLC, Marshall Media LLC and Hogan Family Ltd., Harding and Rock City Media LLC, the corporate umbrella for the Soul of the South Network.

Through her Marshall Media, Melba Marshall petitioned the FCC to deny, dismiss or hold in abeyance the KMYA sale.

The lawsuit and FCC complaint both challenge I Square Media's control of KMYA and its legal authority to turn the license into cash.

On paper, the KMYA license is held in the name of I Square Media, led by three Soul of the South investors: Sashwat "Sash" Goyal, a Stuttgart hotelier; Dr. Ladly Abraham, a Little Rock pulmonologist; and Dr. Mangaraju "Raj" Chakka, a Little Rock cardiologist.

However, the lawsuit against Goyal, Abraham, Chakka and I Square Media claims the legal holder of the broadcast license is Rock City Media, as does Marshall's FCC petition.

Those claims are echoed by lawyers representing Arkansas Capital Corp. and its Heartland Renaissance Fund Sub XIX LLC, the largest financier backing Rock City Media.

ACC and the Heartland Fund believe the license was pledged to secure a \$6.5 million loan to fund Rock City and its Soul of the South Network in May 2014.

"We're still in the fact-finding mode and trying to clarify everything and figure out how to resolve all of this," said Sam Walls III, president and chief operating officer of Arkansas Capital Corp.

Heartland's attorney, Paul Parnell of the Rose Law Firm, said his client "does not consent to the transfer of station assets purchased by Rock City Media."

The investor lawsuit and FCC complaint claim the KMYA license was acquired nearly two years ago by Rock City Media as part of a \$2.5 million asset purchase agreement with I Square Media.

The transaction was tied to state-assisted funding, the issuance of new market tax credits and conventional loans.

But the license remains in the name of I Square Media. No paperwork requesting approval of the KMYA license assignment to Rock City Media was filed with the FCC.

The lawsuit alleges fraud, breach of contract and more against the I Square Media defendants.

The complaint also asks for an injunction to stop the pending sale of KMYA filed with the FCC by I Square Media and the appointment of a special master to oversee the possible sale of the license in an ongoing FCC auction.

The federal agency opened its Broadcast Incentive Auction last week to buy back bandwidth that will be resold in a second auction to telecommunications companies to feed the wireless demand for more mobile broadband and Wi-Fi service.

On this two-tiered, billion-dollar stage, the KMYA spectrum rights might attract a bid large enough to make creditors and investors at least partially whole.

The opening price range set by the FCC for KMYA lies between \$27 million and \$60 million in the reverse auction. But industry observers caution that the price range could prove massively inflated compared to what the FCC is willing to offer or even if an offer is made on a given license.

While the months-long FCC auction has just started rolling, the battle over the KMYA license officially started taking shape in January.

That's when I Square Media filed paperwork seeking FCC approval to sell the license and station assets to LR Telecasting.

Ownership of LR Telecasting is split 50/50 between William Pollack and Gina Robbins. While Robbins is an unknown quantity to the FCC, Pollack isn't.

He owns a one-third stake in Pollack/Belz Communication Co., which holds the licenses for both KLAX-TV, an ABC affiliate in Alexandria, Louisiana, and KIEM-TV, an NBC affiliate in Eureka, California. Pollack also has ownership positions in a number of radio stations.

As the potential buyer, LR Telecasting is named as a defendant in the lawsuit challenging I Square Media's right to sell the license.

The various ownerships and entities contribute a layer of complexity to the dispute as detailed in court and FCC filings.

The ownership of Rock City Media is divided between SSN Funding Ltd., 89 percent; Larry Morton and Greg Fess, 4 percent each; and William Campbell, 3 percent.

Morton, Fess and Campbell are associated with the general partner of SSN Funding, which at last report is SSN New Management LLC.

Morton and Fess also were the previous holders of the KFYA license through a series of corporations and LLCs.

I Square Media bought the license from KMYA LLC, led by Morton and his associates, for \$1.9 million in February 2014.

In the FCC complaint filed by Marshall Media, Morton is described as I Square's consultant and is portrayed as a responsible party in the failure to assign KMYA's license to Rock City Media after the sale.

In addition, Morton was paid \$200,000 annually as part of a three-year consulting contract with Soul of the South Network.

On paper, SSN Funding, the majority owner of Rock City Media, held a 10 percent stake in I Square Media.

But the limited partnership is absent from the license transfer filing by Goyal, Abraham, Chakka.

Goyal, Abraham and Chakka also are limited partners in SSN Funding. The investor lawsuit alleges they breached their fiduciary duty as Soul of the South directors.

Financiers of Rock City Media/Soul of the South Network

Heartland Renaissance Fund Sub XIX LLC

Little Rock

\$6.5 million

Pacesetter CDE XII LLC

Southlake, Texas

\$3.9 million

Arkansas Economic Development Commission

Little Rock

\$750,000

Tyrone Burroughs

Memphis

\$125,000

Looking Back

Executives announced the Soul of the South Network in April 2013, describing plans for a 24-hour regional broadcast network that would target African-Americans and employ 150 people at its Little Rock headquarters.

Its backers included Richard Mays, former Arkansas Supreme Court Justice; and Larry Morton, former CEO of the bankrupt Equity Broadcasting Co.

Since launching , the network has been dogged by financial and legal problems that alleged breach of contract and misuse of funds.

Uncertainty and confusion about the state of the operations, an attempt to remove a general partner and questions about the future followed. The company also laid off about a quarter of its workforce, which has since dwindled to a mere skeleton operation.

— Lance Turner

Arkansas Business



MEMORANDUM

To: ADFA Board of Directors
From: Brad Henry, Vice President Development Finance
Re: Monthly Activity Report
Date: April 21, 2016

Economic Development Bonds, ADFA Bond Guaranty & Conduit Bond Issues

Much of the staff's efforts this past month have been on completing the SSBCI Annual Report. We have been in meetings and webinars pertaining to the proper filing of the information that Treasury needs included on this second to the last annual report. The problem loans are being worked, taxes and financials are being reviewed and we are completing site visits. Staff also continues to meet with co-lenders, borrowers, and attorneys regarding different aspects of some of our projects.

State Small Business Credit Initiative (SSBCI)

Staff completed the 2015 Annual Report and is working on sending the sampling files Treasury has requested to review. We have also been in correspondence again with the OIG, as they are requesting information for their audit. We still have no information on a completion date for the audit.

Venture Capital and Seed/Angel Capital

The management transition for the Arkansas Institutional Fund is progressing as planned. Specifically, we have been working on refining the AIF credit facility.

Capital Access, Arkansas Credit Reserve, and Small Business Guarantee Programs

Capital Access now has enrolled its 554th loan with most of them, since 2011, being in the SSBCI program. ArCash has 28 loans enrolled. Bev Lambert continues to travel to market our program to various lenders throughout the state. Summaries of the CAP and ArCash program activity through the end of March are included for your review.

Community Outreach

Bev attended the Arkansas Delta Conference in Pine Bluff. The month of May will be an extremely busy outreach month with the SSBCI Annual Conference, a small business conference in Jonesboro and the Arkansas Rural Services Conference.

Capital Access Loan Program

Cumulative Program Activity

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11-Apr-16

BY INDUSTRY

Industry Sector	No. of Loans	% of Loans	Guaranteed Loan Amt.	Public Funds	% of Total Funds	Average Loan Amount
11: Agriculture, Forestry, Fishing, Hunting	178	32.13%	\$7,617,856.43	\$194,130.54	29.54%	\$42,797
21: Stone Mining, Rock Quarry	1	0.18%	\$3,000.00	\$135.00	0.02%	\$3,000
23: Construction	37	6.68%	\$1,234,413.92	\$44,062.65	6.71%	\$33,363
31, 32, 33: Mfg - Food-Wood-Metal	39	7.04%	\$1,737,936.00	\$67,893.28	10.33%	\$44,562
42, 44-45: Wholesale / Retail Trade	103	18.59%	\$3,143,247.15	\$127,353.80	19.38%	\$30,517
48-49: Transportation / Warehousing	27	4.87%	\$854,642.37	\$35,077.13	5.34%	\$31,653
51: Information	2	0.36%	\$13,000.00	\$585.00	0.09%	\$6,500
52: Finance & Insurance	3	0.54%	\$46,000.00	\$1,680.00	0.26%	\$15,333
53-81: All Other Services (except Public Admin)	164	29.60%	\$4,976,284.16	\$186,209.36	28.34%	\$30,343
Totals	554	100.00%	\$19,626,380.03	\$657,126.76	100.00%	

BY COUNTY

Benton	15	2.71%	191,000.00	8,955.00	1.36%	\$12,733.33
Boone	33	5.96%	\$734,562.54	\$33,055.57	5.03%	\$22,259.47
Bradley	94	16.97%	\$4,124,271.91	\$113,183.69	17.22%	\$43,875.23
Carroll	11	1.99%	\$184,150.00	\$8,286.75	1.26%	\$16,740.91
Chicot	1	0.18%	\$10,000.00	\$450.00	0.07%	\$10,000.00
Clark	63	11.37%	\$1,513,855.78	\$52,672.70	8.02%	\$24,029.46
Clay	1	0.18%	\$200,000.00	\$9,000.00	1.37%	\$200,000.00
Columbia	2	0.36%	\$121,145.00	\$3,635.00	0.55%	\$60,572.50
Craighead	1	0.18%	\$18,000.00	\$810.00	0.12%	\$18,000.00
Crittenden	2	0.36%	\$55,000.00	\$2,475.00	0.38%	\$27,500.00
Crawford	3	0.54%	\$40,000.00	\$1,800.00	0.27%	\$13,333.33
Cross	2	0.36%	\$30,000.00	\$900.00	0.14%	\$15,000.00
Dallas	3	0.54%	\$73,500.00	\$2,985.00	0.45%	\$24,500.00
Desha	6	1.08%	\$486,000.00	\$12,915.00	1.97%	\$81,000.00
Drew	1	0.18%	\$333,400.00	\$10,002.00	1.52%	\$333,400.00
Garland	18	3.25%	\$1,283,679.00	\$29,815.58	4.54%	\$71,315.50
Hempstead	11	1.99%	\$782,952.12	\$21,590.12	3.29%	\$71,177.47
Hot Spring	3	0.54%	\$89,500.00	\$4,515.00	0.69%	\$29,833.33
Howard	2	0.36%	\$47,000.00	\$1,560.00	0.24%	\$23,500.00
Jefferson	18	3.25%	\$928,702.73	\$37,822.12	5.76%	\$51,594.60
Lafayette	33	5.96%	\$1,022,399.78	\$25,256.52	3.84%	\$30,981.81
Lee	1	0.18%	\$15,000.00	\$675.00	0.10%	\$15,000.00
Lincoln	1	0.18%	\$48,000.00	\$2,160.00	0.33%	\$48,000.00
Lonoke	3	0.54%	\$386,000.00	\$17,370.00	2.64%	\$128,666.67
Madison	22	3.97%	\$176,300.00	\$7,933.50	1.21%	\$8,013.64
Marion	1	0.18%	\$10,000.00	\$450.00	0.07%	\$10,000.00
Miller	76	13.72%	\$3,464,214.61	\$86,395.70	13.15%	\$45,581.77
Mississippi	2	0.36%	\$33,945.50	\$3,360.00	0.51%	\$16,972.75
Monroe	10	1.81%	\$928,721.63	\$29,884.95	4.55%	\$92,872.16
Newton	3	0.54%	\$30,000.00	\$1,350.00	0.21%	\$10,000.00
Phillips	7	1.26%	\$181,620.00	\$9,700.32	1.48%	\$25,945.71
Pike	1	0.18%	\$11,500.00	\$345.00	0.05%	\$11,500.00
Poinsett	15	2.71%	\$482,490.50	\$38,310.32	5.83%	\$32,166.03
Polk	2	0.36%	\$65,000.00	\$3,675.00	0.56%	\$32,500.00
Pope	1	0.18%	\$20,000.00	\$900.00	0.14%	\$20,000.00
Prairie	1	0.18%	\$62,500.00	\$2,812.50	0.43%	\$62,500.00
Pulaski	38	6.86%	\$695,127.70	\$34,524.99	5.25%	\$18,292.83
Searcy	4	0.72%	\$30,000.00	\$1,350.00	0.21%	\$7,500.00
Sebastian	1	0.18%	\$3,000.00	\$135.00	0.02%	\$3,000.00
Sevier	1	0.18%	\$10,000.00	\$450.00	0.07%	\$10,000.00
St. Francis	9	1.62%	\$221,039.73	\$8,027.30	1.22%	\$24,559.97
Union	2	0.36%	\$90,000.00	\$4,950.00	0.75%	\$45,000.00
Van Buren	1	0.18%	\$31,560.00	\$2,840.40	0.43%	\$31,560.00
Washington	28	5.05%	\$326,000.00	\$14,670.00	2.23%	\$11,642.86
Woodruff	1	0.18%	\$35,241.50	\$3,171.73	0.48%	\$35,241.50
Totals	554	100.00%	\$19,626,380.03	\$657,126.76	100.00%	

RESERVE BALANCES

Bank Name	RESERVE BALANCE	CLAIMS by Borrower
Southern Finl Part [closed]	\$0.00	Southern Finl Part 3 \$19,674.27
CSB / Bank of Bradley	\$71,858.14	Community State Bank 7 \$429,766.91
Community First Bank	\$7,273.76	Community First Bank 8 61917.88
Southern Bancorp	\$66,890.36	Elk Horn Bank & Trust 8 \$209,161.86
Enterprise Corp of the Delta Regions [closed]	\$85,633.98	Ent Corp of the Delta 1 \$127,000.00
1st Jacksonville Bank [closed]	\$0.00	Regions [closed]
Little River Bank of Lepanto	\$0.00	First Jacksonville Bank 1 \$4,564.07
Alt.Consulting	\$35,994.59	Little River Bank (Inactive) 1 \$47,658.33
ACCION	\$26,919.12	Alt.Consulting 2 \$1,522.66
Fidelity National	\$7,009.86	ACCION 2 \$48,556.65
FORGE	\$0.00	Fidelity National
	\$70,113.22	FORGE
Totals	\$371,693.03	Claim Totals 33 \$949,822.63

Capital Access Loan Program

Cumulative Program Activity

11-Apr-16

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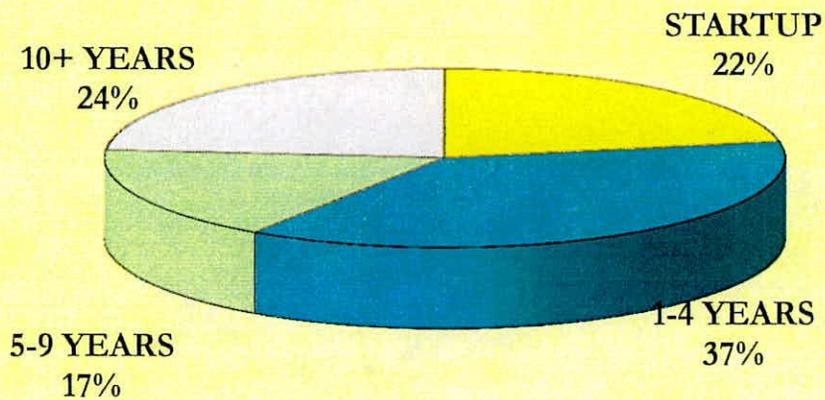
BY SIZE

Guaranteed Loan Size	No. of Loans	% of Loans	Dollar Amount
0-\$24,999	334	60.29%	\$4,916,248.70
\$25,000-\$49,999	120	21.66%	\$4,225,739.50
\$50,000-\$74,999	38	6.86%	\$1,900,533.65
\$75,000-\$99,999	14	2.53%	\$909,682.92
\$100,000-\$124,999	14	2.53%	\$1,364,031.50
\$125,000 and up	34	6.14%	\$6,310,143.76
Totals	554	100.00%	\$19,626,380.03

No. of Jobs	2532
Public \$ Leverage	30.21 to 1

BY AGE

LOANS BY AGE OF BUSINESS



Capital Access Loan Program

Minority Program Activity

April-16

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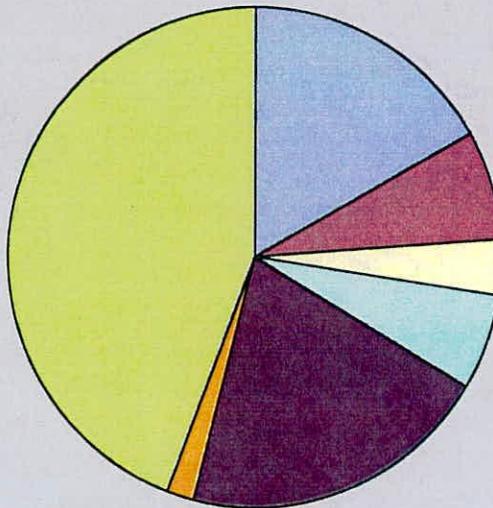
INDUSTRY	NO. OF LOANS	AMOUNT OF LOANS	PUBLIC FUNDS
11-Nonmfg-Agriculture	19	616,139.50	\$21,908.92
23-Construction	8	108,652.73	\$4,025.37
31, 32, 33: Mfg - Food-Wood-Metal	4	75,939.00	\$2,728.17
48-49 Nonmfg-Transp/PubUtil	7	135,194.63	\$6,967.95
42, 44, 45 Nonmfg-Whol/Retail Tra	23	424,466.77	\$16,010.86
51: Information	2	13,000.00	\$585.00
53-81-Other Nonmfg-Services	50	1,312,485.59	\$51,657.17
Totals	113	\$ 2,685,878.22	\$103,883.44

Program Comparative	NO. OF LOANS	AMOUNT OF LOANS	PUBLIC FUNDS
Totals			
Minority Loan Totals	113	\$2,685,878.22	\$103,883.44
Total Cap Program Activity	554	\$19,626,380.03	\$657,126.76
Percentage Minority Activity	20.40%	13.69%	15.81%

Paid Off

Renewed

MINORITY ACTIVITY BY INDUSTRY



- 11-Nonmfg-Agriculture
- 23-Construction
- 31, 32, 33: Mfg - Food-Wood-Metal
- 48-49 Nonmfg-Transp/PubUtil
- 42, 44, 45 Nonmfg-Whol/Retail Trade
- 51: Information
- 53-81-Other Nonmfg-Services

AR CASH PROGRAM

ACR Summary 4/11/2016	TOTAL # OF LOANS	LOAN AMOUNT	RESERVE ACCT BALANCE	ADFA FEE AMOUNT	BORROWER FEE AMOUNT	Loan Renewal Fee	MINORITY OWNED	F/T JOBS	P/T JOBS	CLAIM FILED	2015 LOAN BALANCE
BANK NAME											
ARVEST BANK Fort Smith	26	631,291.95	58,891.60	52,370.00	6,313.65	150.00	9	94	121		\$448,764.27
Southern Bancorp Arkadelphia	2	53,676.75	4,531.17	4,000.00	525.00		1	2	8		\$35,121.94
TOTALS*	28	\$684,968.70	\$63,422.77	\$56,370.00	\$6,838.65	\$150.00	10	96	129		\$483,886.21

*Total # of loans does not reflect renewals

Program Comparative Totals	No. Of Loans	Amount of Loans	Public Funds
Minority/Female Loans Report	10	\$292,161.49	\$20,370.00
Total Program Activity	28	\$684,968.70	\$56,370.00
Percentage			
Minority/Female Loan Activity	36%		



Board Report
March 2016
Farmer / Creditor Mediation Program

For the month of March 2016, thirty (30) Arkansas farmers were offered mediation and provided statutory notice of the right to request mediation. The amount of debts from the initiating lenders totaled \$8,307,922.19. There was one (1) credit mediation and no USDA /FSA adverse decision voluntary mediation requests.

Plans to attend the CAMP conference are being solidified for May 2016 in Santa Fe, New Mexico. The forms and information packets which accompany the creditor notices are being updated and revised.

The program coordinator consistently averages a number of cases each month that request mediation and /or are scheduled for a mediation session. Some are ultimately settled by phone. The pre-session settlement activity and other phone consultations by the coordinator between the farmers, creditors and attorneys generally saves time and money for the parties.



MEMORANDUM

To: ADFA Board of Directors
 From: Cheryl Schluterman, CPA *CS*
 Vice President for Finance & Administration
 Re: April Board Report
 Date: April 13, 2016

The following items are presented for Board review:

- **Bond Calls – April 2016**

Bonds Called, From Prepayment, Monthly Remittances and/or Excess Revenues

<u>Single Family Bonds</u>	<u>Amount</u>
2006 Series AB	\$ 155,000
2011 Series B/2009A-2	695,000
2009 Series A-3	180,000
2013 Series A	<u>193,036</u>
Total Bond Calls	\$ <u>1,223,036</u>

- **Interagency Programs as of March 31, 2016.** The following programs are managed by other state agencies whereby ADFA serves as issuer and/or financial administrator. These programs are not considered part of ADFA’s financial reporting entity for purposes of the year-end auditor’s report.

<u>Program</u>	<u>Loan Balance</u>	<u>No. of loans</u>	<u>Net Bond Balance</u>
<u>ANRC</u>			
Wastewater RLF	\$230,714,124	60	\$38,119,907
Safe Drinking	\$171,889,394	60	\$24,892,944
Wetlands Mitigation	\$932,514	2	
<u>Higher Education</u>			
Community/Technical College	\$6,201,374	12	
<u>AEO-AEDC</u>			
Industry Energy Technical	-	0	
Employer Assisted Home Energy	\$65,384	2	
<u>DHS</u>			
Assisted Living Fund	\$760,000	1	



- **Prison Construction Trust Fund as of March 31, 2016**

Bank Balance	Unfunded Contracts	Unfunded Loans	Bonds Outstanding
\$8,920,362	\$6,101,103	\$945,429	\$26,230,000 *

*Represents 2009 A Correctional Facilities. One year's debt service is pledged to the bonds, funded by the Prison Construction Trust Fund.

- **Venture Capital Public Trust Fund as of March 31, 2016**

	Cash	Investments	Loans	Total
Enterprise Development				
Ark Risk Capital Matching	\$150,740	\$3,469,479	\$200,000	\$3,820,219
SSBCI		1,629,291		1,629,291
Technology Validation	2,662	1,154,137	\$108,000	1,264,799
Arkansas Co-Investment Fund:				
Discretionary (GQAC)		8,758,730		8,758,730
SSBCI		2,093,023		2,093,023
Arkansas Seed & Angel Network:				
Discretionary (GQAC)		215,000		215,000
SSBCI		2,166,520		2,166,520
Arkansas Venture Capital "General Account"				
Recycled SSBCI	615,403			615,403
Undesignated	402,484			402,484
Totals	\$1,171,289	\$19,486,180	\$308,000	\$20,965,469

The information for March 31, 2016 for the Arkansas Institutional Fund ("AIF") was not available at this report date as we are in the process of transitioning with Cimarron Capital.

- **State Operating Budget Summary as of March 31, 2016**

	Actual	Budget	Percent Expended
Salaries and Benefits	\$3,321,518	\$4,614,328	72%
General Operations	507,664	825,458	62%
Travel and Education	25,413	81,715	31%
Professional Fees and Services	102,623	117,915	87%
Information Technology	139,514	264,512	53%
Capital Outlay	-	23,000	0%
Housing Trust Fund	30,000	45,718	66%
TOTAL OPERATING EXPENDITURES	4,126,732	5,972,646	69%
HUD HOME Program	7,984,561	16,341,215	49%
Neighborhood Stabilization Program (NSP)	-	1,400,000	0%
Special Federal Grants	-	6,600,000	0%
TOTAL FEDERAL PROGRAM EXPENDITURES	7,984,561	24,341,215	33%
TOTAL EXPENDITURES	\$12,111,293	\$30,313,861	40%

- **General Fund Programs as of March 31, 2016**

Program Name	Board Authorization Date	Amount	Original Loan Amount	3/31/2016 Outstanding Balance
Arkansas Tourism Revolving Loan Fund	6/18/1998	\$2,000,000	\$645,000	\$173,912
Habitat for Humanity, Pulaski County	12/20/2012	300,000	224,813	200,536
Habitat for Humanity, Saline County	9/18/2014 & 11/20/2014	180,000	—	—
Speculative Building Program (additional funding approved)	Unknown 3/18/99,3/20/03	5,000,000	4,666,102	393,392
Port Authority	8/17/1997	2,000,000	54,334	—
Day Care Center Program	9/96	500,000	137,500	—
Direct Loan Program		*	106,986,646	6,986,417
Single Family DPA	**	revolving		6,202,656
TOTAL				<u>\$13,956,913</u>

*ADFA has not set a specific amount for this program.

**Principal and interest received on outstanding DPA loans are designated revolving loan funds by ADFA's Board of Directors. (Board approval dates of 1/17/02, 5/16/02, 8/15/02, 10/17/02, 2/20/03, 9/18/03 totaling \$6,569,732.)

- **Financial Statements.** The February 29, 2016 financial statements are presented for your review.
- **Servicing Reports.** Included in this month's fiscal report are two servicing reports. The first is a Delinquency and Other Real Estate Summary, detailing delinquent loan and related portfolio balances. The second is a Delinquency Report, which includes a set of graphs that express delinquency figures for three loan portfolios. These graphs are designed to signal possible trends and to measure portfolio performance.

Training/Conferences Attended by Finance & Administration Department in March 2016:

OMB Uniform Guidance (Arkansas Department of Finance & Administration) –
Kristy Cunningham, Cheryl Schluterman, Hope Lewis, Kim Poposky

Retirement Challenges for Women (Accounting Financial Women's Alliance) –
Kim Poposky, Cheryl Schluterman

Fraud Investigations (Arkansas Department of Finance & Administration) –
Kim Poposky, Hope Lewis

GASB Update (Arkansas Department of Finance & Administration) –
Kim Poposky, Hope Lewis, Cheryl Schluterman

SSBCI Webinar Program Changes (SSBCI) –
Hope Lewis

SSBCI Webinar Annual Reporting Tips (SSBCI) –
Hope Lewis

Coaching for Improved Work Performance (Arkansas Department of Finance & Administration) –
Kristy Cunningham, Cheryl Schluterman, Hope Lewis

Ethics (Arkansas Department of Finance & Administration) –
Kristy Cunningham, Cheryl Schluterman, Hope Lewis, Kim Poposky

CAFR/SEFA (Arkansas Department of Finance & Administration) –
Kristy Cunningham, Cheryl Schluterman, Hope Lewis, Kim Poposky

Workplace Discrimination (Arkansas Department of Finance & Administration) –
Cheryl Schluterman, Hope Lewis

Internal Controls (Arkansas Department of Finance & Administration) –
Cheryl Schluterman, Hope Lewis

Pension 101-Actuary Services (Arkansas Department of Finance & Administration) –
Cheryl Schluterman

Fraud: Evidence and Interviews (Arkansas Department of Finance & Administration) –
Cheryl Schluterman

Doing More with Less (Arkansas Department of Finance & Administration) –
Hope Lewis

Big Data (Arkansas Department of Finance & Administration) –
Hope Lewis

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
BALANCE SHEET - UNAUDITED
FEBRUARY 29, 2016

For Internal Purposes Only

	SINGLE FAMILY	FEDERAL HOUSING PROGRAMS	MULTI FAMILY	ECONOMIC DEVELOPMENT BOND GUARANTY PROGRAMS	STATE & HEALTH FACILITIES PROGRAMS	OTHER ECONOMIC DEVELOPMENT PROGRAMS	GENERAL FUND	TOBACCO SETTLEMENT	AMENDMENT 82 BOND DEALS	INTER-AGENCY PROGRAMS	TOTAL
ASSETS:											
Cash and cash equivalents	38,519,913	2,838,799	3,855,278	11,685,031	23,774,470	4,225,896	5,561,851	304,769	3,497,477	116,744,735	211,008,219
Accounts receivable		426,398	173	59,551	137,486		208,228			25,268,500	26,100,336
Accrued interest receivable	1,031,027	73,529	19,203	77,783	182,759	2,610	304,141	61,565	6,744	718,321	2,477,682
Accrued rent receivable				2,037	320,028						322,065
Investments, at amortized cost	273,227,446		2,407	17,068,439	2,986,198		63,770,769	4,230,085	5,200,892	171,123,913	537,610,149
Loans receivable, at amortized cost, net		85,320,299	4,509,343	47,373,727	71,319,829	3,137,229	21,294,545	59,199,281	50,000,000	410,013,345	752,167,598
Long Term Receivable											0
Real Estate Owned		71,491					1				71,492
Deferred charges	103,134						827,275			12,991	943,400
Direct Financing Leases				3,240,382	113,481,111						116,721,493
Installment Sale Agreements											0
Capitalized Assets							43,775				43,775
TOTAL ASSETS	312,881,520	88,730,516	8,386,404	79,506,950	212,201,881	7,365,735	92,010,585	63,795,700	58,705,113	723,881,805	1,647,466,209
LIABILITIES AND FUND BALANCES											
LIABILITIES:											
Bonds and notes payable, net of unamortized discounts and premiums	203,327,118	2,125,000		58,425,000	191,380,000			83,344,282	50,000,000	63,091,546	651,692,946
Accrued interest payable	1,095,718	18,485		694,736	1,907,132			313,728		669,119	4,698,918
Accounts payable		118,641	1,944,440	59,652	6,157,269		886,014	12,796	3,424,205	25,002,994	37,606,011
OPEB and pension liabilities							4,553,898				4,553,898
Deferred fees, advances, grants and credits				3,868,934	12,757,480	22,644	1,093,125	3,781,972	5,280,908	41,667	26,846,730
Total liabilities	204,422,836	2,262,126	1,944,440	63,048,322	212,201,881	22,644	6,533,037	87,452,778	58,705,113	88,805,326	725,398,503
FUND BALANCES											
Restricted by bond resolution and programs	108,458,684	86,468,390	6,441,964	16,458,628	0	7,343,091		(23,657,078)	0	635,076,479	836,590,158
Invested in capital assets							43,775				43,775
Unrestricted							85,433,773				85,433,773
TOTAL LIABILITIES AND FUND BALANCES	312,881,520	88,730,516	8,386,404	79,506,950	212,201,881	7,365,735	92,010,585	63,795,700	58,705,113	723,881,805	1,647,466,209

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE FOR
THE EIGHT MONTH PERIOD ENDED FEBRUARY 29, 2016 - UNAUDITED

	SINGLE FAMILY	FEDERAL HOUSING PROGRAMS	MULTI FAMILY	ECONOMIC DEVELOPMENT BOND GUARANTY PROGRAM	STATE & HEALTH FACILITIES PROGRAMS	OTHER ECONOMIC DEVELOPMENT PROGRAMS	GENERAL FUND	TOBACCO SETTLEMENT	AMENDMENT 82 BOND DEALS	INTER-AGENCY PROGRAMS	TOTAL
REVENUES:											
Interest income:											
Loans and direct leases		482,135	33,812	1,499,876	4,393,572	54,017	552,593	1,907,225		5,011,504	13,934,734
Investments	8,663,494	936	651	167,871		1,783	1,323,406			515,008	10,673,149
Amortization of discounts and premiums on loans and investments, net	96,288		(92)	(4,696)			15,284			(177,746)	(70,962)
Financing fee income		374		192,839		57,521	2,219,544			2,574,043	5,044,321
Total Interest Income	8,759,782	483,445	34,371	1,855,890	4,393,572	113,321	4,110,827	1,907,225	-	7,922,809	29,581,242
Federal financial assistance		5,655,103		193,063	246,584		41,177			20,296,930	26,432,857
Other income (loss)				(10,978)			4,871			75,199	69,092
TOTAL REVENUES	8,759,782	6,138,548	34,371	2,037,975	4,640,156	113,321	4,156,875	1,907,225	-	28,294,938	56,083,191
EXPENSES:											
Interest on bonds and notes:											
Current interest	5,160,975	14,003		1,444,807	4,640,156			877,400		1,791,386	13,928,727
Accreted interest								1,907,225			1,907,225
Total interest on bonds and notes	5,160,975	14,003	0	1,444,807	4,640,156	0	0	2,784,625	0	1,791,386	15,835,952
Amortized public discounts and premiums on bonds and notes	(208,172)									(629,554)	(837,726)
Amortized bond and note issuance cost						319,981	126,339				0
Provision for losses		(901,346)	533,898	(49,896)							28,976
Federal financial assistance programs		3,022,505		193,063						2,922,131	6,137,699
Pymts to BMIR Re incentive Participants											0
Administrative expenses:							3,009,484				3,009,484
Salaries and benefits		526,612					747,514				1,274,126
Operations and maintenance		50,258	(574)	122,588		43,179	299,688			223,104	1,280,426
Other	542,183										
TOTAL EXPENSES	5,494,986	2,712,032	533,324	1,710,562	4,640,156	363,160	4,183,025	2,784,625	0	4,307,067	26,728,937
REVENUES OVER (UNDER) EXPENSES	3,264,796	3,426,516	(498,953)	327,413	0	(249,839)	(26,150)	(877,400)	0	23,987,871	29,354,254
Transfer (to) from other funds	28,436	858				(395,106)	(171,810)			(1,629,776)	(2,167,398)
REVENUES OVER (UNDER) EXPENSES	3,293,232	3,427,374	(498,953)	327,413	0	(644,945)	(197,960)	(877,400)	0	22,358,095	27,186,856
FUND BALANCES:											
Beginning of period	105,165,452	83,041,016	6,940,917	16,131,215	0	7,988,036	85,675,508	(22,779,678)	0	612,718,384	894,880,850
End of Period	108,458,684	86,468,390	6,441,964	16,458,628	0	7,343,091	85,477,548	(23,657,078)	0	635,076,479	922,067,706

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
DELINQUENCY AND OTHER REAL ESTATE SUMMARY
March-16**

Program	Program Name	Number of Loans Delinquent	Delinquent Payments			Total Delinquent Loan Balance	Total Program Loan Balance
			1 Payment	2 Payments	3 or More Payments		
21	Rural Housing Multifamily	0	\$ -	\$ -	\$ -	\$ -	\$ 1,220,076.73
27	Tax Credit Assistance Program (TCAP)	1	\$ -	\$ -	\$ 11,619.83	\$ 490,749.20	\$ 19,435,420.53
28	Exchange Program Forgivable Loans	0	\$ -	\$ -	\$ -	\$ -	\$ 92,869,859.00
31	Guaranteed ED	2	\$ 17,232.48	\$ 100,314.60	\$ -	\$ 1,833,628.11	\$ 56,280,414.94
35	Arkansas Department of Correction	0	\$ -	\$ -	\$ -	\$ -	\$ 5,154,570.57
49	Assisted Living Revolving Fund (ALIF)	0	\$ -	\$ -	\$ -	\$ -	\$ 760,000.00
50	CDBG	0	\$ -	\$ -	\$ -	\$ -	\$ 7,700,000.00
52	PRLF	0	\$ -	\$ -	\$ -	\$ -	\$ 2,015,159.95
65	SSBCI	4	\$ -	\$ -	\$ 244,377.74	\$ 1,523,568.72	\$ 3,929,069.73
70	Settlement Funds Repayable Loans (SH)	3	\$ 827.75	\$ -	\$ 1,448.65	\$ 129,037.45	\$ 4,637,926.42
81	FAF/BMIR	23	\$ 2,595.45	\$ 676.42	\$ 164,594.31	\$ 1,036,469.07	\$ 7,457,611.40
81	CTC (College Tech)	0	\$ -	\$ -	\$ -	\$ -	\$ 6,201,374.12
81	DPA (Repurchased)	5	\$ -	\$ -	\$ 9,685.65	\$ 7,948.04	\$ 7,948.04
81	DPA (Table Funded)	35	\$ -	\$ -	\$ 4,751.31	\$ 3,218.40	\$ 20,163.14
81	Habitat for Humanity	0	\$ -	\$ -	\$ -	\$ -	\$ 200,536.06
81	Project Fund (Direct Loans)**	0	\$ -	\$ -	\$ -	\$ -	\$ 5,123,198.12
81	RECDS	0	\$ -	\$ -	\$ -	\$ -	\$ 27,422.22
81	Tourism Reserve Fund	0	\$ -	\$ -	\$ -	\$ -	\$ 173,911.75
83	Bond Guaranty Fund	0	\$ -	\$ -	\$ -	\$ -	\$ 2,926,530.29
84	HOME	104	\$ 14,309.09	\$ 36,766.10	\$ 504,924.80	\$ 8,327,262.91	\$ 107,971,959.85
95	Neighborhood Stabilization (NSP)	0	\$ -	\$ -	\$ -	\$ -	\$ 15,133,866.22
96	Neighborhood Stabilization (NSP)III	0	\$ -	\$ -	\$ -	\$ -	\$ 4,750,000.00
TOTAL		177	\$ 34,965	\$ 137,757	\$ 941,402	\$ 13,351,882	\$ 343,997,019

DELINQUENT LOAN BALANCES

	30 Days	60 Days	90 or More	Total Delinquent	Program Balance	
Master Servicing *	9	\$ 11,880.41	\$ -	\$ 39,179.55	\$ 51,059.96	\$ 260,699.08

OTHER REAL ESTATE OWNED

Program	Property Name	Value
HOME	EARNESTINE JACKSON	30,789
HOME	FANNIE CAMPBELL	24,000
HOME	RAYMOND ADAMS	20,783
HOME	WILLIE EARL KING	26,704
NSP	3 REED PROPERTIES	3
		<u>\$ 102,279</u>

FINANCED SALES OF REO

ECONOMIC DEVELOPMENT	Bradley Lumber/Ouachita Hardwood Lease	395,250
ECONOMIC DEVELOPMENT	PBS Lumber/Victory Lumber Lease	520,628
ECONOMIC DEVELOPMENT	H&l Poultry/ Ozark Mountain Poultry	1,479,201
		<u>\$ 2,395,079</u>

INSUBSTANCE FORECLOSURES

PROJECT FUND (DIRECT LOAN)	Norphlet Chemical	<u>1</u>
		\$ 1

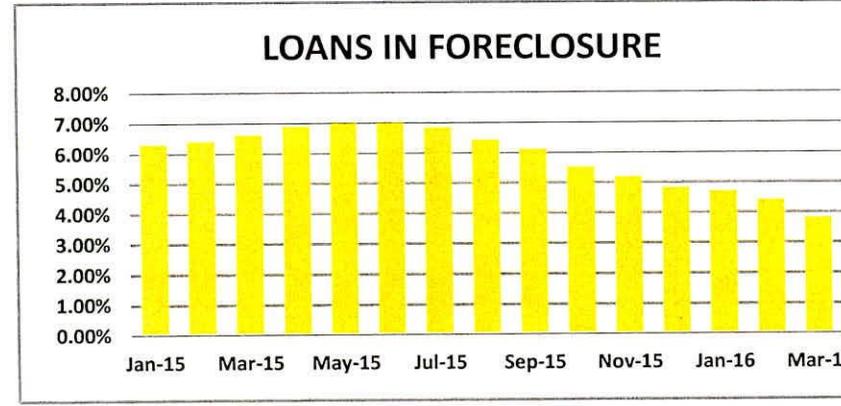
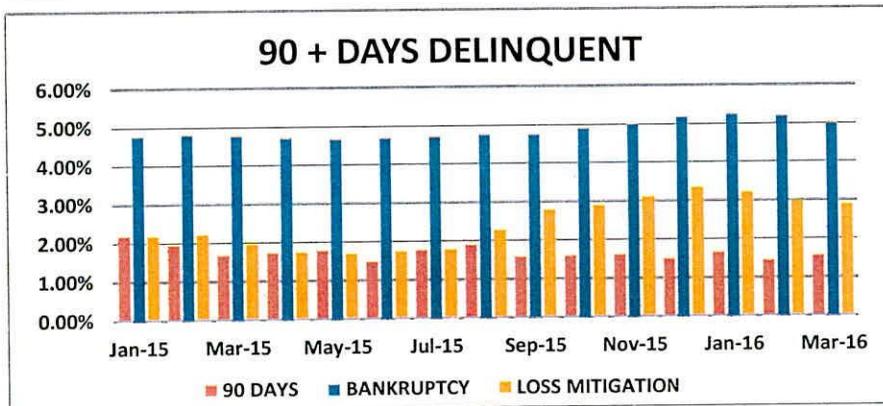
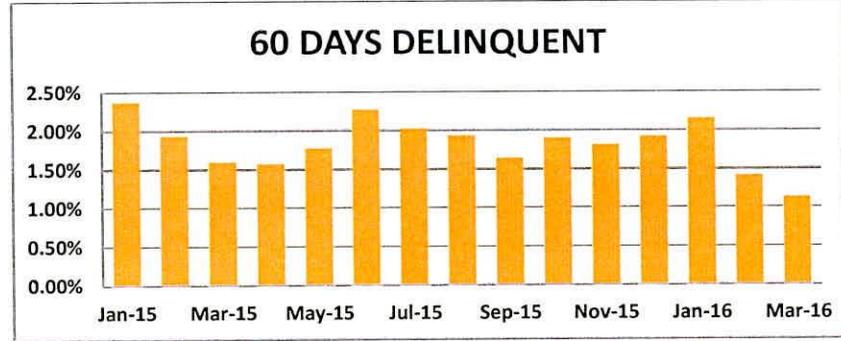
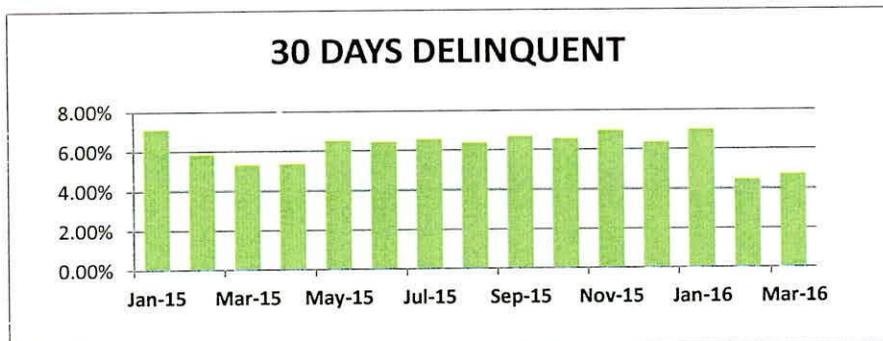
*Primarily Single Family Whole Loans

**Delinquent payment amount on project fund does not include any payments on Catfish loan. The Catfish loans are included in the "Delinquent Loan Balance" amount.

***Value listed is based upon total HOME funds disbursed. This amount will be adjusted to market value when that is determined.

US BANK MASTER SERVICING DELINQUENCY REPORT FOR MARCH 2016

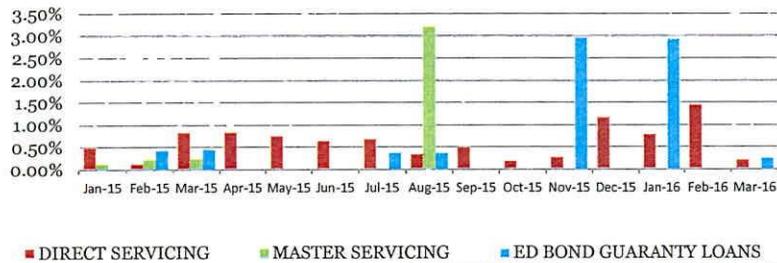
THIS REPORT REPRESENTS THE FIRST MORTGAGE LOANS (% PRINCIPAL) SERVICED BY US BANK IN THE HOME-TO-OWN PROGRAM



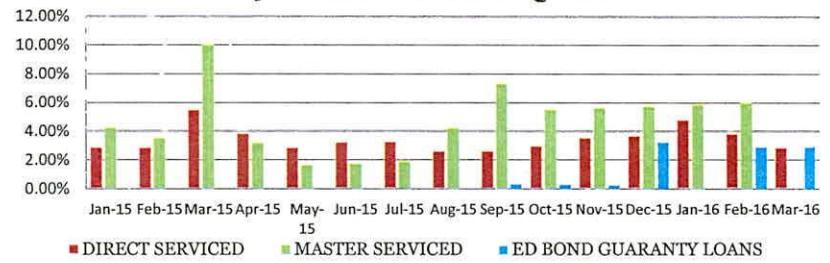
DELINQUENCY REPORT PRESENTED TO THE BOARD OF DIRECTORS FOR MARCH 2016
DIRECT SERVICED - MASTER SERVICED - ECONOMIC DEVELOPMENT GUARANTY LOANS
DELINQUENCY REPORT (AS A PERCENT OF TOTAL LOAN BALANCES)

A loan is considered 90 days delinquent when it has three or more payments past due and it is not involved in any litigation nor any special repayment agreements. The "In Litigation" chart reflects any loan that is 90 or more days delinquent and involved in some type of litigation. Examples may be bankruptcy, foreclosure, etc. THESE LOANS WILL NOT APPEAR IN THE OTHER DELINQUENCY NUMBERS. A loan balance will be included in the "Special Repayment Agreement" chart when it is at least 60 days delinquent and the borrower and ADFA have reached a specific agreement to spread a delinquency over time in order to bring the loan current. If the agreement is not kept the loan will normally proceed to the litigation category. If the agreement is kept, the loan will appear in the Special Repayment Agreement numbers until it is less than 60 days delinquent.

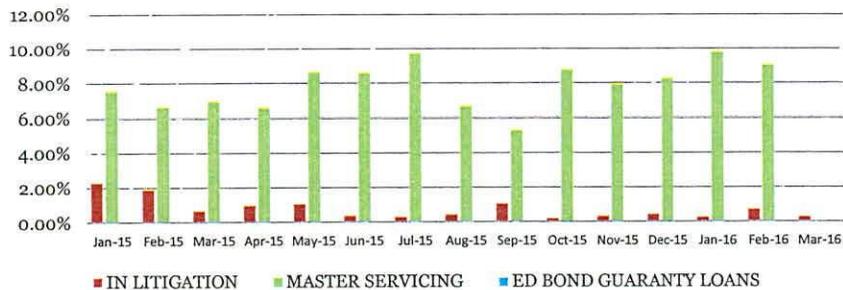
60 DAYS DELINQUENT



90 DAYS DELINQUENT



LOANS IN LITIGATION



SPECIAL REPAYMENT PLANS

