

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

BOARD OF DIRECTORS MEETING



Pathway in Garden Giverny by Claude Monet

THURSDAY, JULY 21, 2016

LITTLE ROCK, ARKANSAS

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

Thursday, July 21, 2016

**12:30 p.m. – Asset Commitment Committee 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 June 16, 2016 meeting of the Board of Directors.

I. OTHER BUSINESS:

- Loan Committee
- Board Committee Reports

Board Housing Review Committee
Board Professional Selection Committee
Board Investment & Administration Committee
Board Asset Commitment Committee

II. NEW BUSINESS:

Resolution No. 1. A resolution, identified under Tab 1, authorizing the issuance of [\$20,000,000] Arkansas Development Finance Authority Capital Improvement Revenue Bonds for the purpose of providing financing for educational facilities; fixing the details and providing for the security and payment of such Bonds; authorizing the execution and delivery of a Trust Indenture to further secure the rights of the holders of the Bonds and the Authority, and delivery of a Bond Purchase Agreement and Loan Agreement; authorizing and approving an Official Statement; and prescribing other matters pertaining thereto.

(Presenter: Michele Allgood)

III. ADJOURNMENT:

The next regular meeting of the ADFA Board of Directors is scheduled for **Thursday, August 18, 2016**, in the Second Floor (2nd) Conference Room, 900 West Capitol, Little Rock, Arkansas.

RESOLUTION

A RESOLUTION AUTHORIZING THE ISSUANCE OF [\$20,000,000] ARKANSAS DEVELOPMENT FINANCE AUTHORITY CAPITAL IMPROVEMENT REVENUE BONDS FOR THE PURPOSE OF PROVIDING FINANCING FOR EDUCATIONAL FACILITIES; FIXING THE DETAILS AND PROVIDING FOR THE SECURITY AND PAYMENT OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE TO FURTHER SECURE THE RIGHTS OF THE HOLDERS OF THE BONDS AND THE AUTHORITY, AND DELIVERY OF A BOND PURCHASE AGREEMENT AND LOAN AGREEMENT; AUTHORIZING AND APPROVING AN OFFICIAL STATEMENT; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, Arkansas Development Finance Authority (the “Issuer” or the “Authority”), is authorized and empowered under the provisions of Act No. 1062 of the Acts of Arkansas of 1985, as amended (the “Act”), to issue revenue bonds, either alone or as a composite issue, and to expend the proceeds thereof to finance the acquisition, construction and equipping of land, buildings, equipment or facilities which can be used in securing or developing industry for industrial enterprises and educational facilities; and

WHEREAS, the Issuer has heretofore agreed to provide permanent financing, through the issuance of one or more series of taxable or tax-exempt revenue bonds under the Act, of the costs of (i) financing the acquisition, construction, renovation and equipping of certain educational facilities of Maumelle Foundation For Education, Inc., an Arkansas nonprofit corporation (the “Borrower”) located on the Borrower’s main campus at 900 Edgewood Drive, Maumelle, Arkansas 72113 (the “Project”), (ii) the possible refinancing of certain outstanding indebtedness of Borrower, (iii) funding a debt service reserve fund and/or capitalized interest fund, if any, and (iv) paying costs of issuance of the Bonds with the Issuer loaning the proceeds of the Bonds to the Borrower for these purposes;

WHEREAS, pursuant to resolutions adopted by the Board of Directors of the Authority on March 17, 2016 and June 16, 2016, respectively, the Authority selected Bond Counsel and Underwriter (each defined below), and authorized the distribution of a Preliminary Official Statement (defined below) and a bond purchase agreement with respect to one or more series of its bonds in principal amount not to exceed \$20,000,000; and

WHEREAS, the Issuer is now prepared to issue [\$19,500,000] in principal amount of its Capital Improvement Revenue Bonds (Maumelle Foundation For Education, Inc./Academics Plus Charter School Project), Tax Exempt Series 2016A and [\$500,000] in principal amount of its Capital Improvement Revenue Bonds (Maumelle Foundation For Education, Inc./Academics Plus Charter School Project), Taxable Series 2016B (collectively, the “Bonds”) for the purpose of financing the construction of the Project; and

WHEREAS, the Issuer offered and Crews & Associates, Inc (the “Underwriter”) has agreed to purchase for offering to the public all (but not less than all) of the Bonds, at the aggregate purchase price set forth in the Bond Purchase Agreement (hereinafter defined); and

WHEREAS, the following documents now before this meeting have been prepared in connection with the issuance of the Bonds and have been reviewed by the Issuer’s Chairman, Vice Chairman, President or one or more Vice Presidents and Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C. (the “Bond Counsel”):

(a) Trust Indenture to be dated as of the date of closing (“Indenture”), between the Issuer and Bank of the Ozarks, as trustee (“Trustee”), establishing the general provisions relating to the Bonds, providing for the security and payment of the Bonds and the rights of the owners thereof;

(b) Bond Purchase Agreement (the “Purchase Agreement”), dated as of July 21, 2016, between the Issuer and the Underwriter, providing for the purchase of the Bonds;

(c) Loan Agreement to be dated as of the date of closing (the “Loan Agreement”), between the Issuer and the Borrower, providing for the financing of the Project with proceeds of the Bonds pursuant to its terms; and

(d) a Preliminary Official Statement dated July 18, 2016 (the “Preliminary Official Statement”) and an Official Statement dated July 21, 2016 (the “Official Statement”) setting forth certain information with respect to the Bonds for the Issuer and the respective owners of the Bonds.

WHEREAS, in connection with the issuance of the Bonds and the lending of the Bond proceeds to the Borrower, Borrower will cause the following documents to be delivered:

(a) a Continuing Disclosure Agreement to be dated as of the date of closing (the “Disclosure Agreement”), by and among Academics Plus Charter Schools, Inc., the Borrower and the Trustee, providing for the ongoing disclosure of certain operating and financial information with respect to the security for the Bonds; and

(b) a Construction Mortgage with Security Agreement, Assignment of Rents and Leases, and Fixture Filing (Includes Future Advances) to be dated as of the date of closing (the “Mortgage”) from Borrower in favor of the Issuer securing the Borrower’s obligations to the Issuer in connection with the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Arkansas Development Finance Authority:

Section 1. There is hereby authorized the issuance of [\$19,500,000] Arkansas Development Finance Authority Capital Improvement Revenue Bonds (Maumelle Foundation For Education, Inc./Academics Plus Charter School Project), Tax Exempt Series 2016A and [\$500,000] Arkansas Development Finance Authority Capital Improvement Revenue Bonds (Maumelle Foundation For Education, Inc./Academics Plus Charter School Project), Taxable

Series 2016B. The proceeds of the Bonds will be loaned to the Borrower for the purpose of (i) financing the acquisition, construction, renovation and equipping of certain educational facilities of the Project, (ii) the payment of all or a portion of the release price required to release the Project site from the mortgage lien securing the Issuer's \$6,135,000 Capital Improvement Revenue and Refunding Revenue Bonds (Maumelle Foundation for Education, Inc./Academics Plus Charter School Project) ADFA Guaranty Program 2015 Series A Bonds and its \$5,180,000 Capital Improvement Revenue and Refunding Revenue Bonds (Maumelle Foundation for Education, Inc./Academics Plus Charter School Project) 2015 Series B Bonds (collectively, the "Series 2015 Bonds"), (iii) funding a debt service reserve fund and/or capitalized interest fund, if any, and (iv) paying costs of issuance of the Bonds. The Bonds shall mature and bear interest in the amounts and on the dates set forth on Exhibit A attached hereto and incorporated herein by this reference. The Bonds are hereby approved in substantially the form contained in the Indenture submitted to this meeting, and the Chair and the President are hereby authorized and directed to execute and deliver the Bonds and to cause the Bonds to be authenticated by the Trustee.

Section 2. To provide for the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement setting forth information concerning the Bonds and the Issuer. The Preliminary Official Statement, as distributed, is hereby declared to be a final official statement, as such term is defined in Rule 15c2-12 of the Securities and Exchange Commission, as of its date, except for the interest rates, underwriter's discount, offering prices, delivery dates, aggregate principal amount, principal amount per maturity, ratings and other terms of the Bonds depending on such matters.

Section 3. The execution of the Preliminary Official Statement by the Chairman or the President in substantially the form presented at this meeting and the distribution of the Preliminary Official Statement in marketing the Bonds is hereby ratified.

Section 4. To prescribe the terms and conditions upon which the Bonds are to be sold and purchased, the Chairman, Vice Chairman, President or any Vice President of the Issuer were previously and are hereby authorized and directed to execute the Bond Purchase Agreement between the Issuer and the Underwriter. The Bond Purchase Agreement is hereby approved in substantially the form submitted to this meeting with such changes as approved by such persons executing the Bond Purchase Agreement with their execution to constitute conclusive evidence of such approval. The execution of the Bond Purchase Agreement is hereby ratified.

Section 5. There be, and there is hereby, authorized the distribution to various prospective and actual purchasers of the Bonds of a final Official Statement in the name of the Issuer, describing the Issuer, the Bonds, the Trust Indenture, the Loan Agreement, the Disclosure Agreement, and the Mortgage and setting forth such other information as may be determined to be necessary or desirable by the Issuer, the Underwriter and the Borrower. The President or the Chairman is authorized to execute such Official Statement on behalf of the Issuer and to confer with Bond Counsel and the Underwriter in order to complete the Official Statement in substantially the form submitted to this meeting with such changes as shall be approved by either of such officers.

Section 6. To prescribe the terms and conditions upon which the Bonds are to be executed, authenticated, issued, accepted, held and secured, the Chairman, Vice Chairman, President or any Vice President of the Issuer are hereby authorized and directed to execute and acknowledge an indenture of trust (the “Trust Indenture”) for the Bonds by and between the Issuer and Bank of the Ozarks, as trustee (the “Trustee”). Any officer of the Issuer is hereby authorized and directed to cause the Trust Indenture to be accepted, executed and acknowledged by the Trustee. The Trust Indenture is hereby approved in substantially the form submitted to this meeting, and the President and any Vice President of the Issuer are hereby authorized to confer with Bond Counsel, the Trustee and the Borrower in order to complete the Trust Indenture in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

Section 7. There be, and there is hereby authorized the execution and delivery of a Loan Agreement (the “Loan Agreement”) by and between the Issuer and the Borrower providing for the financing of the Project, and the Chairman, Vice Chairman, President or any Vice President of the Issuer be, and they are hereby, authorized to execute, acknowledge and deliver the Loan Agreement for and on behalf of the Issuer. The Loan Agreement is hereby approved in substantially the form submitted to this meeting, and the Chairman, Vice Chairman, President or any Vice President of the Issuer are hereby authorized to confer with the Borrower and Bond Counsel in order to complete the Loan Agreement in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the documents, their execution to constitute conclusive evidence of such approval. Further, there is hereby authorized the acceptance of the Mortgage from the Borrower to the Issuer as security for the obligations of the Borrower under the Loan Agreement. The Mortgage is hereby approved in substantially the form submitted to this meeting, and the Chairman, Vice Chairman, President or any Vice President of the Issuer are hereby authorized to confer with the Borrower in order to complete the Mortgage in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the documents, their execution to constitute conclusive evidence of such approval. The assignment of the Issuer’s rights under the Loan Agreement and the Mortgage to the Trustee as security for the Bonds is hereby authorized.

Section 8. There be, and there is hereby authorized the acceptance of the Disclosure Agreement setting forth certain obligations of Academics Plus Charter Schools, Inc. and the Borrower to make continuing disclosure of financial information and material events to the secondary municipal marketplace, as set forth in Rule 15c2-12 of the Securities and Exchange Commission. The Chairman, Vice Chairman, President or any Vice President of the Issuer be, and they are hereby, authorized to accept the Disclosure Agreement for and on behalf of the Issuer. The Disclosure Agreement is hereby approved in substantially the form submitted to this meeting, and the Chairman, Vice Chairman, President or any Vice President of the Issuer are hereby authorized to confer with the Borrower and the dissemination agent in order to complete the Disclosure Agreement in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the documents, their execution to constitute conclusive evidence of such approval.

Section 9. The Chairman, Vice Chairman, President or any Vice President of the Issuer, for and on behalf of the Issuer, be, and they are hereby, authorized and directed to do any

and all things necessary to effect the execution and delivery of the Loan Agreement and the Bond Purchase Agreement by the Issuer and the delivery to the Issuer of the Mortgage and Disclosure Agreement, the performance of any obligations of the Issuer under the Loan Agreement and the Bond Purchase Agreement, the execution and delivery of the Trust Indenture, the performance of any obligations of the Issuer under and pursuant to the Trust Indenture, the issuance, execution, sale and delivery of the Bonds, the execution, delivery and distribution of the Official Statement, the acceptance and assignment of the Mortgage, and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred by this Resolution. That the Chairman, Vice Chairman, President or any Vice President of the Issuer be, and they are hereby, further authorized and directed, for and on behalf of the Issuer, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof, including, but not limited to papers, documents, certificates and other instruments relating to the release of the Project site from the lien associated with the Series 2015 Bonds, the use of funds and property received as consideration for the release of the Project site, and cross-collateralization documents, easements or intercreditor agreements determined to be necessary and prudent to the co-existence of the Series 2015 Bonds and the Bonds.

Section 10. Pursuant to the Loan Agreement between the Borrower and the Authority dated March 17, 2015 (the “2015 Loan Agreement”), the Trust Indenture between Bank of the Ozarks, as trustee, and the Authority dated March 17, 2015 (the “2015 Trust Indenture”), and the resolution of the Authority adopted on February 19, 2015 (the “2015 Bond Resolution”) each relating to the Series 2015 Bonds, the Chairman, Vice Chairman, President or any Vice President of the Issuer, for and on behalf of the Issuer, were authorized and directed to do any and all things necessary to perform any obligations of the Issuer under the 2015 Loan Agreement and the 2015 Trust Indenture and all acts of whatever nature necessary to effect and carry out the authority conferred by the 2015 Bond Resolution. The 2015 Bond Resolution further authorized and directed the Chairman, Vice Chairman, President or any Vice President of the Issuer to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof. In connection with the issuance of the Bonds and in a manner consistent with and authorized by the 2015 Loan Agreement and the 2015 Trust Indenture, it is anticipated that the 2015 Trust Indenture will be supplemented to evidence the release of the Project site, to direct the use of funds and property received as consideration for the release of the Project site, and to authorize cross-collateralization documents, easements or intercreditor agreements determined to be necessary and prudent to the co-existence of the Series 2015 Bonds and the Bonds. The authorizations and directions set forth in the 2015 Bond Resolution, the 2015 Loan Agreement and the 2015 Trust Indenture are hereby ratified and confirmed. The Chairman, Vice Chairman, President or any Vice President of the Issuer are hereby authorized to confer with the Borrower, Bond Counsel, Trustee and Underwriter in order to prepare and complete such documentation. The final form of any such documentation shall be approved by such persons executing the documents, their execution to constitute conclusive evidence of such approval.

Section 11. The Secretary is hereby authorized and directed to file in the office of the Issuer, as a part of the minutes of the meeting at which this Resolution is adopted, for inspection, by any interested person a copy of the Trust Indenture, Loan Agreement, Preliminary Official

Statement, Official Statement, Mortgage, Disclosure Agreement, and Bond Purchase Agreement, and such documents shall be on file for inspection by any interested person.

Section 12. The provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 13. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 14. This Resolution shall be in force and effect immediately upon and after its passage.

APPROVED: July 21, 2016

APPROVED:

By: _____
Dr. Richard Burnett, Chairman

ATTEST:

By: _____
Aaron S. Burkes, President/Secretary

EXHIBIT A

[\$19,500,000]

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
CAPITAL IMPROVEMENT REVENUE BONDS
(MAUMELLE FOUNDATION FOR EDUCATION, INC./
ACADEMICS PLUS CHARTER SCHOOL PROJECT),
TAX EXEMPT SERIES 2016A**

Maturity	Type of Bond	Principal Amount	Interest Rate	Yield	Price	Dollar Price
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* Yield to first optional call date of _____, 20__.

[\$500,000]

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
CAPITAL IMPROVEMENT REVENUE BONDS
(MAUMELLE FOUNDATION FOR EDUCATION, INC./
ACADEMICS PLUS CHARTER SCHOOL PROJECT),
TAXABLE SERIES 2016B**

Maturity	Type of Bond	Principal Amount	Interest Rate	Yield	Price	Dollar Price
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ARKANSAS DEVELOPMENT FINANCE AUTHORITY
MEETING OF THE BOARD OF DIRECTORS
June 16, 2016

The Board of Directors of the Arkansas Development Finance Authority held its regular board meeting on Thursday, June 16, 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; Anthony Brooks; Stan Green; Greg Stanfill; Charley Baxter; Seth Mims; Stephen Rose; Tom Spillyards; Sarah E. Capp and Jim Harris, Chief of Staff for State Treasurer, Dennis Milligan.

Absent: Denise Sweat, John Cooley and Aaron Burkes, President and Board Secretary of the Authority.

ADFA Staff present: Patrick Patton, Vice President of Internal Audit; Nancy Covington, Assistant to President; Brad Henry, Vice President of Development Finance; Derrick Rose, Communications; Cheryl Schluterman, Vice President of Finance & Administration; Kristy Cunningham, Controller; Bob Hunt, HOME Specialist; Bev Lambert, Development Finance; Ro Arrington, Public Finance Manager and Murray Harding, Single Family Manager.

Others present: Michele Allgood, Mitchell Williams; Jack Williams, Williams and Anderson; Edmond Hurst, Crews & Assoc.; Jack Truemper, Stephens; Stan Russ, Regions; Kathleen Orlandi, Hawkins Delafield; Steve Johnson, First Southwest; Glenda Dean, Simmons; Jill Drewyor, Mitchell Williams; Jim Fowler, Rose Law Firm; Ron Pyle, RaymondJames and Daniel Allen, RaymondJames.

NEW BUSINESS ~ COMMITTEE REPORTS

Loan Committee. Dr. Burnett called on Brad Henry to present any loans for the board's consideration and there were none.

Board Housing Committee. Dr. Burnett called on Charley Baxter to present the report from the Board Housing Committee.

Minutes. The committee approved the minutes from the May 19, 2016 meeting of the Board Housing Committee.

HOME:

Application Spreadsheet. The committee reviewed and approved the application spreadsheet.

Multi-Family:

Placid Hills Senior Living, North Little Rock, Arkansas & Rock Creek of Fort Smith, Fort Smith, Arkansas. The committee approved the transfer of the General Partners from Foster, Files and Harris, LLC and Placid Hills Development Group, LLC to Placid Hills Management, LLC; and the approval of the transfer of the General Partner from FFH of Arkansas, LLC to Rock Creek GP, LLC.

CNA Specialists. The committee approved a request that Paul A. Younborg and his company be approved to do capital needs assessments on behalf of ADFA developers.

Compliance Updates. Updates were given on the following:

Bradley Villas Apartments, Bradley, Arkansas. The committee approved Falicia M. Samuels, project owner, request to change the managing agent to Tower Management from Bunn Property Management.

Sheridan Heights, Sheridan, Arkansas. The committee approved Annette Cowen, President of ASC Properties and ASC Property Management, Inc., request to change the management agent to ASC Property Management, Inc. from Sunbelt Properties.

Single Family. Mr. Baxter made a motion to approve the recommendations of the Board Housing Review Committee revision of the Program Guide for ADFA Homeownership Programs. Mr. Green seconded the motion. By roll call, all present members voted, and the motion passed.

Mr. Baxter made a motion to accept the whole Board Housing Review report as presented. Mr. Brooks seconded the motion. By roll call, all present members voted, and the motion passed unanimously.

Board Audit Committee: Dr. Burnett called on Tom Spillyards to present the report from the Board Audit Committee.

Minutes. The committee approved the minutes from the April 21, 2016, meeting of the Board Audit Committee.

Internal Audit of Capital Access Program. The committee reviewed and approved the report of the Internal Audit of the Capital Access Program.

Internal Audit of the Single Family Program. The committee reviewed and approved the report of the Internal Audit of the Single Family Program.

Mr. Spillyards made a motion to accept the Board Audit Report. Mr. Brooks seconded the motion. By roll call, all present members voted, and the motion passed.

Asset Commitment Committee. Dr. Burnett called on Brad Henry, Vice President of Economic Development to present the report from the Asset Commitment Committee.

Minutes. Mr. Spillyards made a motion to approve the minutes of the May 19, 2016, meeting of the Board's Asset Commitment Committee. Mr. Brooks seconded the motion. By roll call, all present members voted, and the motion passed.

Mr. Burkes gave an update on the Attorney General's opinion regarding "closed session" meetings. An update was also given on Directors and Officers insurance coverage.

NEW BUSINESS ~ MINUTES AND RESOLUTIONS

Minutes. Dr. Burnett asked for approval of the minutes from the May 19, 2016 Board of Directors Meeting. Mr. Spillyards made a motion to approve the minutes. Mr. Brooks 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, modifying and supplementing the intent of the Arkansas Development Finance Authority with respect to certain 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. Stanfill made a motion to approve the resolution. Ms. Capp seconded the motion. By roll call, all present members voted, and the motion passed unanimously.

Resolution No. 2. Dr. Burnett called on Shep Russell to present the resolution identified under Tab 2, authorizing the issuance of State of Arkansas Higher Education General Obligation Bonds to refund certain outstanding State of Arkansas Higher Education General Obligation Bonds, Series 2007A; authorizing a Trust Indenture, a Bond Purchase Agreement, Preliminary and Final Official Statements, Continuing Disclosure Agreement and related documents in connection therewith; and authorizing 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 unanimously.

Resolution No. 3. Dr. Burnett called on Kathleen Orlandi to present the resolution identified under Tab 3, resolution reaffirming the Amended and Restated Single Family Mortgage Revenue Bond General Resolution (Mortgage-Backed Securities/Mortgage Loans Program) adopted July 20, 1995, as Amended and Supplemented, and as approved on May 16, 2013; adopting and approving (1) a Series Resolution authorizing the issuance and sale of Single Family Mortgage Revenue Bonds, 2016 Series A and 2016 Series B and such additional series as may be necessary subject to the limitations of this Resolution; (2) the distribution of Preliminary and Final Official Statements, and (3) the Bond Purchase Contract. Mr. Green made a motion to approve the resolution. Mr. Mims seconded the motion. By roll call, all present members voted, and the motion passed unanimously.

Adjournment. Dr. Burnett stated the next Board meeting would be held on Thursday, July 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 July, 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: July 12, 2016
RE: Board Report

- ADFA hosted a visit from S & P Global Ratings on June 8-9, as part of the refunding of \$83.2 million in Higher Education General Obligation bonds. Arkansas has maintained a "AA/Stable" rating, reflective of the State of Arkansas's balanced budget and low unemployment. Due to the combination of Arkansas's highly-rated securities and investors' demand following the turmoil created by Brexit, the State realized a greater net present value savings than expected, with savings of \$7.2 million or 8.6%. When we received the proposal, net present savings were estimated at 3.9%. Our thanks to lead underwriter Raymond James which recommended the delay in pricing until June 29, when the British vote to leave the European Union was confirmed and rates fell dramatically.
- One June 27, ADFA announced the details of its new "ADFA Advantage" first-time homebuyer program to its lending partners. The new program was to offer qualifying first-time homebuyers and veterans a 30-year, fixed-rate mortgage at 2.875%. However, with the sudden drop in regular FHA and VA mortgage rates to at or below 3% following Brexit, a decision was made on July 5 to drop the rate to 2.5%. Lenders have responded favorably and our first loan closed on Monday, July 11. In addition to an updated ADFA website, a new Facebook page has been created to promote the Authority's single-family programs. The address is www.facebook.com/arhomefinancing.
- ADFA submitted its Biennium Budget for fiscal years 2017-2018 to the Department of Finance and Administration. We have reduced our number of staff positions by three and decreased our annual operating budget by \$123,000. We go before the Joint Budget Committee on October 19.
- BKD, ADFA's external auditor, is presently in house performing field work on the Authority's Single Audit. This is expected to last through the end of the week. In mid-August, the Arkansas Bank Department exam begins, and BKD's full audit is also scheduled to begin and last for approximately 3 weeks.

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

10:00 a.m.	Board Housing Review Committee
10:45 a. m.	Board Professional Selection Committee
11:00 a.m.	Board Investment and Administration Committee
Immediately Following Last Committee Meeting - Lunch will be served – 3 rd Floor Conference Room	
12:30 p.m.	Asset Commitment Committee
1:30 p.m.	Public Board Meeting



MEMORANDUM

TO: ADFA Board of Directors
FROM: J. Benjamin Van Kleef, Vice President of Housing
DATE: July 11, 2016
RE: Board Report

VK

Multi-Family

ADFA's Multi-Family staff has completed its underwriting stage of the 2016 Low-Income Housing Tax Credit Round. Notification of Deficiencies and Initial Score letters were sent out to applicants on June 24, 2016. The responses were due at 4:30 p.m. on July 1, 2016.

HOME

1) Owner-Occupied Applications Received and Not Approved

a. Seven 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 was denied as the project was unable to secure construction cost gap financing above the \$90,000 HOME funds.
- ii. **City of Bald Knob** application # 150057 is requesting a reduction in the homeowner projects from 4 to 1 and a reduction of its application funding request from \$396,000.00 to \$99,000.00. In final review
- iii. **Boys, Girls and Adults Community Development Center (BGACDC)** application #150059 is requesting \$413,511.57 to assist nine (9) homeowner projects in Phillips County. Staff review is complete and waiting on updated source documents to meet application compliance prior to final recommendation. In final review.
- iv. **Warren Housing Authority** application # 150061 requests for \$495,000 for construction and project delivery cost to assist five (5) homeowners in Warren is now reduced to 4 applicants for \$324,460.00. In final review.
- v. **Arkansas Land and Farm Development Corporation (ALFDC)** application #150062 is requesting \$495,000.00 to assist five (5) homeowners and related project delivery costs. Application is under staff review.
- vi. **Crittenden County Phase III** application #160041 is requesting \$495,000.00 to assist five (5) homeowners and related project delivery costs. Application is pending staff review.

vii. **Crittenden County Phase IV application #160042 is requesting \$495,000.00** to assist five (5) homeowners and related project delivery costs. Application is pending staff review

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

- i. There are 26 projects in the pipeline of which 19 are Board approved consisting of 89 homeowner projects. Twenty-eight (28) are complete and sixty-seven (67) are in various stages of completion.
- ii. Staff working on 13 homeowner loan closings. Technical Assistance (TA) was provided to both city and county governments with low performing projects as well as to their consultant.

2) Community Housing Development Organizations (CHDO)

CS-CDC – Approved to build 7 homebuyer units in the Bluebird Subdivision

0	Pending Acquisition/ Closing/ Administrative Project Setup
4	Construction not started
2	Construction underway
0	Units complete and on the market for sale
1	Valid purchase contract/ lender underwriting and/ or closing
1	Units sold

BCD – Approved to build 10 homebuyer units in the Appleberry Subdivision

5	Pending Acquisition/ Closing/ Administrative Project Setup
0	Construction not started
0	Construction underway
2	Units complete and on the market for sale
2	Valid purchase contract/ lender underwriting and/ or closing
1	Units sold

HOME Funded Rental Activities

- a. Held/attended Preconstruction meeting with Woodlake II Limited Partnership, Harmony Place Limited Partnership and Ridge at Morrilton, Limited Partnership. A Notice To Proceed has been issued for each Owner for these 2015 LIHTC/HOME projects.
- b. Attended and reviewed initial scores for applications in two day meeting. Researching responses to the initial score letters from the Owners of the developments.
- c. Reviewing 11 HOME Applications for 2016 LIHTC/HOME round.
- d. Processed (3) draw requests for a total of \$297,414.61 in HOME funds. Processed (1) retainage draw for Foster Collier Grant Manor.

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 and it didn't 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. Funded by selling Mortgage-Backed Securities to Raymond James.

“Home-To-Own” Program Loans Closed

January - June	2015	2016
Amount	\$ 15,341,252	\$ 14,312,472
# of Loans	153	140
Average Loan Amount	\$ 100,270	\$ 102,232

- 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 - June	2015	2016
Amount	\$ 548,981	\$ 460,849
# of Loans	103	85
Average Loan Amount	\$ 5,330	\$ 5,422

- 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 - June	2015	2016
Amount	\$ 460,950	\$ 596,970
# of Loans	85	110
Average Loan Amount	\$ 5,423	\$ 5,427

- 4) **Mortgage Credit Certificate (“MCC”) Program**
 - a) 2014 Mortgage Credit Certificate Program:

- 1) Over \$71 million in first mortgage loans originated.
- 2) Average amount of first mortgage loan = \$111,812
- 3) 451 Mortgage Credit Certificates issued.
- 4) Over \$35 million committed in Federal tax benefit to MCC applicants.
- 5) 185 applications in pipeline.
- 6) 71% of the initial \$100 million has been allocated.
- 7) Approx. \$355,564 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.

Homeownership Marketing Team

The Homeownership Marketing Team, Joey Walsh and Barbara Whittaker, have continued to make great progress in their efforts to educate the public about ADFA products. They have accomplished the following for the month of May:

Miles:	2,145 includes statewide and local
Cities Visited:	16
Lenders Contacted:	25
Lender Trainings:	6
Realtors Contacted:	153
Realtor Sales Meetings	8
Real Estate Post Licensure Students:	4
Radio Segment	1

HOME Program Monthly Board Report
HUD REPORT

Through the period ending June 30, 2016

PY	TOTAL ALLOCATION	TOTAL PROGRAM INCOME	TOTAL RESERVED FOR ADMIN OPER	TOTAL COMMITTED FOR PROJECTS (AS OF 6/30/16)	TOTAL DOLLARS DISBURSED	BALANCE REMAINING TO BE DISBURSED
2009	14,001,563.00	1,696,431.72	1,400,156.30	14,091,338.41	15,394,146.79	303,847.93
2010	13,983,361.00	1,929,209.90	1,398,336.10	12,941,670.84	13,656,300.21	2,256,270.69
2011	12,269,079.00	2,407,907.63	1,226,907.90	11,767,101.13	12,415,234.99	2,261,751.64
2012	7,725,281.00	3,940,630.50	772,528.10	8,899,235.66	8,968,052.44	2,697,859.06
2013	7,314,340.00	2,142,031.18	731,434.00	4,939,097.24	4,903,442.01	4,552,929.17
2014	7,565,698.00	3,323,656.06	756,569.80	6,316,200.36	6,094,108.21	4,795,245.85
2015	6,525,503.00	3,619,087.80	652,550.30	3,511,691.31	3,716,383.28	6,428,207.52
TOTALS						
ALL YEARS	69,384,825.00	19,058,954.79	6,938,482.50	62,466,334.95	65,147,667.93	23,296,111.86

HOME PROGRAM	
<u>Applications Pending Approval of Board HRC, 7/21/16:</u>	
CHDO Operating	
CHDO Set Aside	
Homeowner New Construction & Rehab	
Multi-Family New Construction & Rehab	
Tenant-Based Rental Assistance	\$522,720.00
Total Pending Applications	\$522,720.00

INSPECTIONS AND PROJECTS

In June 2016, HOME spent \$8,951.48 in outsourced inspections.

COMPLIANCE

July 2016 Delinquent Fees

Monitoring Fees

**Billed from
Compliance
Schedule**

PROJECT NAME & CITY	OWNER & MANAGEMENT CO	BILLING DATE	TOTAL DUE	
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	3,250.00 Pmt Plan - Rec pmt 7/6/16 - \$200.00
Heritage Heights Lodge	Siloam Springs	Judy Hobbs/Siloam Spr Hsg Auth	1/6/2016	1,000.00 Pmt Plan-Rec Pmt 7/6/16-\$200.00
			<u>5,450.00</u>	

Non-compliance Fees

Property Name & CITY	Owner Name	Billed	Total Outstanding	
Malcolm Manor	West Memphis	Vickie Robertson/ Malcolm Manor LP	8/26/2013	500.00 NO PAYMENT - REPORT TO BOARD
Malcolm Manor	West Memphis	Vickie Robertson/ Malcolm Manor LP	5/28/2015	550.00 NO PAYMENT - REPORT TO BOARD
Murfreesboro Villas Apts	Murfreesboro	Phil Terrell/MIDC	12/7/2015	350.00 NO PAYMENT - REPORT TO BOARD
Stonewood Apartments	Little Rock	Hezekiak Stewart/Stonewood Apts LP	5/3/2016	100.00
Ashton Park Apartments	Newport	Annette Cowen/Ashton Park Apts LP	5/3/2016	50.00
			<u>1,550.00</u>	

8-Jul-16

Monica Smith - Compliance

**June 2016 Compliance Monitoring Activities
Properties Monitored in June 2016 -**

Property Name	Owner - Contact	Management	# Units	Review Type	Review Date	Reviewed by	# Non-Compliant	# Life-Threatening	# Units/Files Reviewed	Review Grade
Lofts at Texarkana 2015	Lofts at Texarkana LP Arby Smith	RichSmith Management Lee Collins	47	LIHTC CHDO	June 2 F/P	Tammy White	0	0	19 / 19	No Findings
Woodland Station fka Cabot Apts 2001	Cabot Apartments, LP Tom Embach	PPM, Inc Ashley Olivo	24	LIHTC HOME	May 12 F June 2 P	Jeanne Johnson	0	0	5 / 5	No Findings
Woodland Station Senior Citizens 2001	Cabot Senior Citizens/Family Apts. Tom Embach	PPM, Inc Ashley Olivo	59	LIHTC FAF	May 12 F June 2 P	Jeanne Johnson	0	0	10 / 10	No Findings
Woodland Station III 2010	HOME Only Cabot Apartments III Tom Embach	PPM, Inc Ashley Olivo	72	HOME Only (12)	May 12 F June 2 P	Jeanne Johnson	0	0	5 / 5	No Findings
St. Anthony's Assisted Living 2005	St. Anthony's LP Larry Hoss	Moriah Management Inc Pansy Sanford	30	LIHTC HOME	June 6 F/P	Catrina Donahue	1	0	5 / 5	2 - 16 - 30% Non-Compliance
Hillside Apartments - Flippin 2015	Flippin Partners LP Clifton Bates	United Apartment Group Thom Jesse	48	LIHTC HOME	June 7/8 F/P	Tammy White	0	0	18 / 18	No Findings
Peaks at Pine Bluff 2005	Peaks at Pine Bluff LP Richard Simmons	Integrated Property Management Dyann Adair	72	LIHTC	June 8 F/P	Catrina Donahue	8	1	14/14	5- 51% Non-Compliance
Timberwood Apartments 2001	Past Yr 15 Timberwood LP Hillary Zimmerman	Baumann Management Courtney Gibson	56	LIHTC	June 9 F/P	Jeanne Johnson	8	2	11/11	5 - 51% Non-Compliance
Keiser Apts 2006	Keiser Apartments LP Billy Bunn	Bunn Real Estate & Property Mngt Kristin Goza	15	LIHTC HOME	June 13 F/P	Catrina Donahue	1	0	5/5	2 - 16 - 30% Non-Compliance
Marmaduke Villas 1991	Past Yr 15 Marmaduke LP James Maddox	Maco Management Tim Miller	12	LIHTC	June 13 F/P	Jeanne Johnson	2	2	5/5	3 - 31 - 40% Non-Compliance
Fairways at Marion II 1999	Past Yr 15 The Fairways at Marion Phase II LP Scott Rogerson	Lindsey Management Jennifer Moore	36	LIHTC	June 14 F/P	Catrina Donahue	4	1	7/7	5 - 51% Non-Compliance
Imboden Villas 1990	Past Yr 15 Imboden Villas LP James Maddox	Maco Management Tim Miller	12	LIHTC	June 14 F/P	Jeanne Johnson	0	0	5/5	No Findings
Southpoint Apartments Aca/Rehab 2012	Breckenridge Eight LP Elizabeth Small	PDC Companies Linda Cook	25	LIHTC HOME	June 15 F/P	Jeanne Johnson	0	0	5/5	No Findings

**June 2016 Compliance Monitoring Activities
Properties Monitored in June 2016 -**

Property Name	Owner - Contact	Management	# Units	Review Type	Review Date	Reviewed by	# Non-Compliant	# Life-Threatening	# Units/Files Reviewed	Review Grade
Cottonwood Apartments Acq/Rehab 2009	Cottonwood Apartments LP Dennis Wiles	WRRHA Sharon Montgomery	25	UHTC HOME	June 16 F/P	Jeanne Johnson	0	0	5/5	No Findings
Hughes Manor II Acq/ Rehab 2012	Hughes Manor II LP Billy Bunn	Bunn Real Estate & Property Mang. Kristin Goza	33	UHTC HOME	June 17 F/P	Catrina Donahue	0	0	6/6	No Findings
Monticello Estates 2002	Monticello Estates LP Brad Kyles	Sunchase American Susan Gregory	32	UHTC	June 20 F/P	Catrina Donahue	7	0	8/7	5 - 51% Non-Compliance
River View Village 2012	River View Village LP Tom Embach	PPM, Inc Ashley Olivo	20	UHTC	May 9 F June 20 P	Jeanne Johnson	0	0	5/5	No Findings
Ridgeview Apts Wynne HOME Only 2003	Health Resources of Arkansas Shelley McCormick	PPM, Inc Debbie Lawson	16	HOME	May 10 F June 20 P	Jeanne Johnson	0	0	5/5	No Findings
Park Ridge Monticello 2002	Alden GP - AR LLC Micahel Dalen	American Mang. dba Pinnacle Mang. Carole Gallegos	64	UHTC	June 21 F/P	Catrina Donahue	5	2	10/10	5 - 51% Non-Compliance
Creekwood Place 2012	Creekwood Place LP Russell Altizer	Sunbelt Management Cindy Abazajuan	41	UHTC HOME TCAP ExChange	June 22 F/P	Catrina Donahue	1	0	8/8	1 - 0 - 15% Non-Compliance
Whitaker Terrace 2006	Whitaker Terrace LP Lee Black	Benchmark Cliff Turnage	50	UHTC	June 22 F/P	Jeanne Johnson	9	4	10/10	5 - 51% Non-Compliance
Sheridan Heights 2006	Sheridan Heights Apartments LLC William Scott	ASC Property Management Inc Annette Cowan	24	UHTC	June 27 F/P	Catrina Donahue	1	0	5/5	2 - 16 - 30% Non-Compliance
Ridge at West Memphis I 2005	Ridge at West Memphis I LP Arby Smith	RichSmith Management Lee Collins	64	UHTC HOME	June 29 F/P	Catrina Donahue	6	0	13/13	4 - 41 - 50% Non-Compliance
Ridge at West Memphis II 2006/2007	Ridge at West Memphis II LP Arby Smith	RichSmith Management Lee Collins	64	UHTC HOME	June 29 F/P	Catrina Donahue	5	0	13/13	3 - 31 - 40% Non-Compliance

**June 2016 Compliance Monitoring Activities
Properties Monitored in June 2016 -**

PropertyName	Owner - Contact	Management	# Units	Review Type	Review Date	Reviewed by	# Non-Compliant	#Life-Threatening	# Units/Files Reviewed	Review Grade
Spa Area Independent Living Services	Brenda Stinebuck	Spa Area	4	TBRA HOME	June 15 F/P	Deanne Jennings	0	0	3	No Findings
City of Hot Springs	Mike Scott	City of Hot Springs	1	Homeowner Rehab	June 30 F/P	Deanne Jennings	0	0	1	No Findings
Chicot County	Judge Mack Ball Jr.	Chicot County	5	Homeowner Rehab	June 30 F/P	Deanne Jennings	0	0	5	No Findings
City of Dumas	Mayor Johnny Brigham	City of Dumas	2	Homeowner Rehab	June 20 F/P	Deanne Jennings	2	0	2	Fail 100% Non-Compliance
Third Party Consultant	Barbara Erby	Little Rock	4	Homeowner Rehab	June 28 F/P	Deanne Jennings	0	0	4	Pass 0 % Non-Compliance
Universal Housing	Patricia Atkinson	Russellville	3	Homeowner Rehab	June 28 F/P	Deanne Jennings	1	0	3	Pass 33% Non-Compliance

**Monthly Commitment Report
on Certain Housing Programs
As of June 30, 2016**

FAF/NBMIR

FAF/NBMIR Bank Balance at 06/30/2016 \$ 2,048,826.08

Less: Outstanding Commitments:

Closing Date	Development Name	Committed	Funded	Less: Balance Remaining to be Funded
3/19/2015	Hughes Villas II--Hughes Villas--(2014 LIHTC recipient)	\$ 115,761.00	\$ 104,185.00	\$ 11,576.00
not closed	Old Fort Smith Homeless Coalition-Riverview HOPE Campus-Phase I-Ft. Smi	\$ 271,166.56	\$ -	\$ 271,166.56
not closed	Emerald Village at Jonesboro, LP-(2015 LIHTC recipient)	\$ 200,000.00	\$ -	\$ 200,000.00
Total Commitments and Fundings		\$ 586,927.56	\$ 104,185.00	\$ 482,742.56

*in Mitas
not in Mitas
not in Mitas*

FAF/NBMIR Balance Available at 06/30/2016 \$ 1,566,083.52

NSP 1

Grant Awarded from HUD \$ 19,600,000.00

Grant Awarded from HUD for Construction	\$ 17,640,000.00
Grant Awarded from HUD for Administration (originally 10%)	\$ 1,960,000.00
Grant Award Available	\$ 19,600,000.00
Federal Dollars Spent for Construction and Administration	\$ (18,448,292.52)
Unspent Federal Award from HUD	\$ 1,151,707.48 (1)

Program Income received life to date	\$ 2,466,210.30 (3)
Interest Income received life to date	\$ 1,120.12
Income Available	\$ 2,467,330.42
Less: Program Income Spent for Construction and Administration	\$ (1,072,885.15)
Unspent Program Income per Trust Account (cash balance as of 06/30/2016)	\$ 1,394,445.27 A

Outstanding Commitments:

Closing Date	Development Name	Committed	Funded with Federal Dollars	Funded with Program Income	Less: Balance Remaining to be Funded
Multi-Family:					
12/18/2009	ALS Management-South Creekside	\$ 7,748,915.03	\$ 7,748,915.03	\$ -	
3/5/2010	The Meadows of Rogers	\$ 5,776,260.00	\$ 5,696,759.70	\$ 79,500.30	
7/27/2010	Reed Property-Scattered Sites	\$ 423,400.00	\$ 423,400.00	\$ -	(2)
8/10/2012	Ford Properties Homes, LLC	\$ 2,044,705.00	\$ 1,311,809.03	\$ 732,895.97	(2),(3),(4)
Single Family-Lots:					
4/16/2010	Ft. Smith Neighborhood Renewal Project	\$ 1,247,901.49	\$ 1,123,264.89	\$ 124,636.60	(5)
2/18/2011	City of North Little Rock-Baring Cross Proje	\$ 1,976,082.94	\$ 1,858,999.00	\$ 117,083.94	(5)
Total Commitments and Fundings (non-Admin)		\$ 19,668,358.84	\$ 18,163,147.65	\$ 1,054,116.81	B
Total Funds Spent (Federal \$ and Program Income)		\$ 19,217,264.46			

*in Mitas
in Mitas
in Mitas
in Mitas (2 loans)*

*in Mitas
in Mitas*

NSP-1 Funds Available to Commit at 06/30/2016 \$ 1,394,445.27 = A less B

Administration \$ 451,094.38 \$ 285,144.87 \$ 18,768.34 \$ 147,181.17 (6)

Applications received but not submitted for board approval yet:
none
1,394,445.27 amount available if additional applications/requests were approved

Notes:

- This balance may be de-obligated as program income was generated and had to be used before federal money could be drawn and the program deadline to expend federal funds expired 9/6/2013.
- & (4) ADFA de-obligated \$1,414,783.59 as 26 lots were deeded back to ADFA on 3/7/2012. This money, along with program income received from the sale of two lots with the Ft. Smith Neighborhood Renewal Project of \$165,216.41, was re-allocated to commit the funds to Ford Properties Homes, LLC which purchased 17 of the 26 lots from ADFA. On 2/21/2013, an allocation of \$464,705.00 of administrative funds was approved for Ford Properties Homes, LLC to purchase 5 additional lots from ADFA to construct 5 additional homes.
- Proceeds from the sale of two lots with the Ft. Smith Neighborhood Renewal Project in the amount of \$165,216.41 will be used to supplement the funding of the Ford Properties Homes, LLC allocation (see Note 4.) Program income funds are generated by the sale of lots with homes from the Ft. Smith Neighborhood Renewal Project (9 of 9 lots sold) and the City of North Little Rock Baring Cross Project (13 of 13 lots sold) as well as repayments on loans.
- As of 6/20/2015, \$69,437.51 was removed from the construction draw payable for Ft. Smith Neighborhood Renewal Project and \$27,420.06 was removed from the construction draw payable for City of North Little Rock-Baring Cross Project as the projects are complete and units sold.
- Administrative accruals not yet paid total \$3,161.07-\$687.60 for NSP's share of the Fair Housing allocation, \$1,988.00 to reimburse ADFA General Fund for hazard insurance and legal bills paid on behalf of three NSP REO properties, and \$485.47 due to ADFA General Fund for admin fee reimbursement due for Jan-May 2016.

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
Closing Date	Development Name	Committed	Funded	to be Funded
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	\$ -

in Mitas

Program Income received life to date	\$ 26,388.88
Interest Income received life to date	\$ 0.41
Income Available	\$ 26,389.29
Less: Program Income Spent for Construction and Administration	\$ -
Unspent Program Income per Trust Account (cash balance as of 06/30/2016)	\$ 26,389.29

NSP-3 Funds Available to Commit at 06/30/2016 **\$ 26,389.29**

Administration \$ 250,000.00 \$ 42,617.89 \$ 207,382.11

Notes:
Administrative accruals not yet paid total \$840.23. 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

				Less: Balance Remaining
Closing Date	Development Name	Committed	Funded	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 06/30/2016 **\$ 506,705.00 (1)**

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 06/30/2016, \$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. Administrative accruals not yet paid total \$1,646.00.

TAX CREDIT ASSISTANCE PROGRAM

TCAP Bank Balance at 06/30/2016 **\$ 1,140,071.23**

Breakdown:	
Program Income received life to date	\$ 1,139,938.54
Interest Income received life to date	\$ 937.69
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 06/30/2016	\$ 1,140,071.23 (1)

Applications received but not submitted for board approval yet:
 - none
1,140,071.23 amount available if additional applications/requests were approved

Notes:
(1) As of 06/30/2016, 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 6/30/2016 \$ 1,371,244.16

Less: Outstanding Commitments:

Signed Agreements	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	-
1/25/2013	City of Reed	253,000.00	253,000.00	-
3/27/2013	Drew County Public Facilities Board	351,714.00	351,714.00	-
3/27/2013	Eastern Arkansas Community Outreach & Development Corp.- various sites in Proctor, Marion and West Memphis	509,359.20	509,359.20	-
3/26/2013	City of Stuttgart II	324,500.00	324,500.00	-
5/6/2013	Arkansas Land & Farm Development Corp.-Various sites-Dermott	494,340.00	494,340.00	-
6/24/2013	Central Arkansas Planning and Development District-various sites in Lonoke, Scott, England and DeValls Bluff	507,659.00	490,259.00	17,400.00
9/25/2013	Third Party Consulting, Inc. (formerly CRT)-various sites in Garland, Holly Grove, Kingsland, Wrightsville	395,000.00	395,000.00	-
12/5/2013	City of McGehee	497,950.00	497,950.00	-
		3,685,384.20	3,667,984.20	17,400.00
Tax Credit Properties:				
5/30/2013	Edgewood Apartments, LP-Lewisville	75,000.00	75,000.00	-
12/19/2014	S&B Development-Deer Run-Hamburg	226,000.00	226,000.00	-
returned obligation	Belmont Development-Garden Walk on 2nd-Ozark--RETURNED \$450K obligation	-	-	-
12/27/2013	Legacy at El Dorado LP-El Dorado	450,000.00	450,000.00	-
2/7/2014	Leisure Homes Corporation-Majestic View-Mountain Home	450,000.00	450,000.00	-
10/25/2013	Paragould Housing Dev Corp-Rolling Hills-Paragould	450,000.00	450,000.00	-
11/7/2013	Pine Cove Apartments-Fordyce	175,000.00	175,000.00	-
8/20/2015	Huntsville Town Branch LP--Town Branch-Huntsville	356,000.00	356,000.00	-
de-obligated	Housing Solutions Alliance-NLR, AR--Silver City Courts---DE-OBLIGATED \$450K 2/19/2016	-	-	-
3/31/2015	JPM Development--Milwood Place-Clarksville	450,000.00	405,000.00	45,000.00
3/31/2015	JPM Development-Arkansas Affordable Two LP--West Helena Village-West Helena	450,000.00	405,000.00	45,000.00
12/14/2015	BRAD- Black River Housing, LP--2015 LIHTC recipient	450,000.00	405,000.00	45,000.00
		3,532,000.00	3,397,000.00	135,000.00
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
2/3/2015	Habitat for Humanity-Saline County Project:	180,000.00	-	180,000.00
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)		8,446,217.64	7,936,440.45	509,777.19
Settlement Funds Available at 6/30/2016				\$ 861,466.97

REVISED BUDGET PER 4/18/2013 & 2/19/2015 & 5/21/2015 & 4/21/2016 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 Counselors	\$ 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)	\$ 4,120,000.00	\$ 3,532,000.00	\$ 588,000.00	\$ -	\$ 588,000.00
Homeless Project (approved usage of revolved funds and interest less fees as of 1/31/15-	\$ 173,833.44	\$ 173,833.44	\$ -	\$ -	\$ -
Habitat for Humanity-Saline Co. Project	\$ 180,000.00	\$ 180,000.00	\$ -	\$ -	\$ -
Interest earnings/NSF fees collected	\$ -	\$ -	\$ 1,631.98	\$ -	\$ 1,631.98
Loan Repayments Received (P&I & U/Cash)	\$ -	\$ -	\$ 244,582.05	\$ -	\$ 244,582.05
Administrative Expenses (approved use of revolved funds as of 3/31/2016)	\$ 20,000.00	\$ 20,000.00	\$ 16,442.44	\$ -	\$ 16,442.44
Grand Total	\$ 9,065,028.14	\$ 8,466,217.64	\$ 861,466.97	\$ -	\$ 861,466.97



Memorandum

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

- I've worked closely with ADFA's Single Family Division to create new web pages for its programs that are easy to find, use, and understand. According to our website statistics report, the Authority gets approximately 200 unique views to its website each day, with homeownership being the most popular page visited. To help reach out to more potential homebuyers and direct them to our site, we recently created a Facebook page. Although the Facebook page is less than two weeks old, our second post made on Monday, July 11, about the first family to receive an "ADFA Advantage" Loan at 2.5%, reached over 800 people in two days. As we increase the number of ADFA housing partners who follow our Facebook page, we expect this number to increase. ADFA's Facebook page address is www.facebook.com/arhomefinancing.
- Press releases promoting the new "ADFA Advantage" Program and Higher Education General Obligation Bond Refunding Series 2016 were distributed to Arkansas media and posted in the "Newsroom and Media" link on ADFA's website. See attached.
- News clippings follow this report.

Derrick Rose

From: Derrick Rose
Sent: Tuesday, July 05, 2016 10:45 AM
To: ADFA GROUP
Subject: Press Release - Historic Low 2.5% Mortgages Available to First-Time Homebuyers and Veterans

FOR IMMEDIATE RELEASE

Historic Low 2.5% Mortgages Available to First-Time Homebuyers And Veterans

Lowest Interest Rate Offered In Arkansas Development Finance Authority's 39-Year History

LITTLE ROCK, AR, JULY 5, 2016 - The Arkansas Development Finance Authority (ADFA) is offering mortgage loan funds at a record low 2.5 percent to qualified first-time homebuyers and veterans living in Arkansas. The funds are available through the Authority's new single family mortgage revenue bond program called the "ADFA Advantage".

"This is the lowest mortgage rate offered in the Authority's 39 year history," said ADFA President Aaron Burkes. "Home ownership has never been more attainable for first-time homebuyers and veterans in Arkansas."

To be eligible for an "ADFA Advantage" Loan, an applicant must be a first-time homebuyer or a veteran. A first-time homebuyer is someone who has not owned his/her principal residence for three years. There are 31 targeted counties in Arkansas exempt from this rule. A home's sales price cannot exceed \$250,000, and a borrower's income cannot exceed specified limits. These limits vary depending on the number of family members and the county in which the property is located.

Participating lenders originate, process and close all "ADFA Advantage" loans. Most lenders will prequalify a potential homebuyer before they purchase a home. If a person is interested in obtaining an "ADFA Advantage" home loan they will need to contact a participating lender.

To find a list of participating lenders, county income and purchase price limits go to ADFA's website at <http://adfa.arkansas.gov>.

The "ADFA Advantage" Mortgage Program was designed to help those new to the home buying process purchase a home. It can also help with to common obstacles for homebuyers: closing costs and down payment assistance. There are two types of assistance available:

- ADFA Downpayment Assistance Program ("DPA") can provide low-to-moderate income homebuyers with up to \$6,000 for down payment and closing cost assistance. A DPA loan is a second mortgage that carries the low interest rate of 4% with a 10-year term.
- Arkansas Dream Downpayment Initiative ("ADDI") assists lower income, first-time homebuyers, who qualify, with up to 6% of the purchase price of their home, not to exceed \$10,000. It is a second mortgage loan with no monthly payment that is conditionally forgivable over five years. County income limits can be found on ADFA's website at <http://adfa.arkansas.gov>.

About the Arkansas Development Finance Authority

ADFA has provided affordable mortgages to first-time homebuyers in Arkansas since 1978 and is the state's largest source of low-cost financing for low-to-moderate income housing development.

Media Contact

Derrick Rose
Public Information Officer
Phone: 501-682-5904
Email address: derrick.rose@adfa.arkansas.gov

Murray Harding
Single Family Housing Manager
Phone: 501-682-5974
Email address: murray.harding@adfa.arkansas.gov

Derrick Rose

From: Aaron Burkes
Sent: Tuesday, July 05, 2016 8:30 AM
To: Derrick Rose
Cc: Robert Arrington
Subject: News Article in Bond Buyer

THE BOND BUYER

Tuesday, July 5, 2016

Regional News

How Arkansas Raised Savings by Waiting for Brexit

By [Richard Williamson](#)

July 1, 2016



"We were fortunate on the timing of this bond issue," said Aaron Burkes, president of the Arkansas Development Finance Authority.

Related Links

[\\$50M Arkansas Highway Plan Approved](#)

[Arkansas Revenues 11% Above Forecast as Special Session Opens](#)

DALLAS – Waiting for "Brexit" proved highly rewarding for Arkansas as savings on an \$83 million taxable refunding far surpassed expectations, state officials said.

"We had perfect timing," said Aaron Burkes, president of the Arkansas Development Finance Authority. "The Brexit was the big factor that dropped rates so much so quickly."

The advance refunding of 2007 bonds was originally scheduled to price June 23, the day Great Britain was voting on whether to exit or remain in the European Union.

On the advice of lead banker Daniel Allen, vice president for underwriter Raymond James, the ADFFA decided to delay pricing until June 28. When the British vote to leave was confirmed, rates fell dramatically.

Demand for munis was already high, but the market turmoil created by Brexit, added pressure for investors seeking highly rated securities that could provide higher yields than U.S. Treasuries. The Arkansas bonds were more than two times oversubscribed.

With a true interest cost of 1.47% and all-in cost of 1.53%, the Arkansas bonds provided a spread of 45 basis points over Treasuries, Allen said.

The short maturities on Arkansas' bonds between 2017 to 2022 and ratings of AA from Standard & Poor's put the debt in the bulls eye of investor sentiment. The average life of the bonds was 3.7 years.

Net present value savings for the state came in at \$7.2 million or 8.6%, well above the state's 5% threshold for refunding and even greater than the 3.9% that was anticipated when the deal was first proposed in December 2015.

"The market was unlike any other we've seen," said Ro Arrington, public finance officer for the ADFA. "When we received the proposal, net present savings were estimated at 3.9%. Around March or April, NPV rates were about 5%. Then, all of a sudden, boom, you look it up and its 8.6%."

The bonds became taxable because it was a second refunding of debt issued for higher education capital improvements.

Although no future refunding sales are pending, "ADFA will continue to explore refinancing opportunities for all of the State's bond issues," Burkes said.

Bond Refunding Saves State of Arkansas \$7.2 Million



Arkansas Development Finance Authority

Press Release

For Immediate Release

July 1, 2016

Contact: Public Finance Officer Robert Arrington - 501-682-5910 email: robert.arrington@adfa.arkansas.gov

Public Information Officer Derrick Rose - 501-692-5904 email: derrick.rose@adfa.arkansas.gov

Bond Refunding Saves State of Arkansas \$7.2 Million

LITTLE ROCK, JULY 1, 2016 - The Arkansas Development Finance Authority, on behalf of the State of Arkansas, has taken advantage of the recent rise in the bond market following Britain's vote to exit the European Union. The \$83,120,000 State of Arkansas Higher Education General Obligation Bonds Taxable Refunding Series 2016, was originally scheduled to be priced on Thursday, June 23, but state officials delayed the sale to avoid market uncertainty until Tuesday, July 28. In doing so, the State of Arkansas realized a net present value savings of over \$7.2 million.

"We were fortunate on the timing of this bond issue," said ADFA President Aaron Burkes. "ADFA will continue to explore refinancing opportunities for all of the State's bond issues"

The (taxable) new bonds have an average life of 3.7 years and a net interest cost 1.51%. The proceeds of the Bonds will be used to advance refund the Authority's previously issued and outstanding State of Arkansas Higher Education General Obligation Bonds, Series 2007A which were issued to finance capital improvement projects for State institutions of higher education.

The bond sale follows a review of the State's bond rating by S & P Global Ratings earlier this month. Arkansas maintains a "AA/Stable" rating which is reflective of the State of Arkansas's balanced budget and low unemployment.

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AUGUST GENERAL MEETING AUGUST 18

Joey Walsh, Single Family Marketing Coordinator for the Arkansas Development Finance Authority, will visit with us about various products and services ADEFA offers homebuyers, Commercial and Residential Realtors.

When: Thursday, August 18

Where: Pleasant Valley Country Club

When: noon - 1 p.m.

Cost: \$20 members, \$25 non LRRRA members

Iberia Bank Mortgage is our sponsor for this event!

ADEFA will offer our members information on how to access interest rates below 3 percent through our new first-time homebuyer bond program, ADEFA Advantage. We will also offer updates on several of our down payment assistance options, including our new Move-Up Choice program, which offers home buyers a grant of up to 4 percent of the purchase price for down payment and closing costs. To top it off, we will show how your first time home buyers can save up to \$2,000 a year in federal income taxes by accessing our First Time Homebuyer Tax Credit. ADEFA is Arkansas' largest source of low-cost financing for low-to-moderate income housing development, small industries, government, education, public facilities & health care.

ADEFA administers funding in the form of tax exempt bonds and other debt instruments through its series of program activities. These activities are divided into two main categories: Development Finance and Affordable Housing Development.

ADEFA also has a Finance and Administration division that plays the important role of asset-liability management, accounting and office administration.

Please watch for more information as the date approaches. Go online to register and Pay for the 2016 August General Meeting.



MEMORANDUM

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

Economic Development Bonds, ADFA Bond Guaranty & Conduit Bond Issues

We are gearing up for the bank exam to occur in August. Staff are performing credit reviews as well as reviewing files to make sure we have all the insurance, financials and site visits that are needed. We are working the problem loans and will be available to answer any questions in the meeting.

State Small Business Credit Initiative (SSBCI)

SSBCI has completed their standard review of our 2015 annual report. Also, we believe that we are nearing the completion of the OIG audit.

Venture Capital and Seed/Angel Capital

The management transition for the Arkansas Institutional Fund is progressing as planned. Specifically, we are working to finalize a few items with Cimarron and also complete the AIF refinancing with ATRS.

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

Capital Access has enrolled 567 loans. Most of them since SSBCI started has been enrolled in that portion of the program. ArCash has 31 loans enrolled. We continue to market our programs lenders throughout the state. Summaries of the CAP and ArCash program activity through the end of June are included for your review.



Arkansas Development Finance Authority
 State Small Business Credit Initiative
 Status Report As of 6/30/2016

	Lending			Investing			Total
	Capital Access	Direct Loan	SBL Guaranty	Risk Capital Matching	Co investment Fund - ACIF	Seed & Angel Capital Network	
1st & 2nd & 3rd Installments							13,168,350.00
Fundings:							
Capital Access							
Communities Unlimited, Inc/ formerly Alt Liftfund/formerly Accion Texas Forge, Inc.	3,105.00						3,105.00
	10,891.04						10,891.04
	31,104.00						31,104.00
Participation Loans							
American Veg Soybean, LLC		700,000.00					700,000.00
Arez, LLC		470,000.00					470,000.00
Arkansas Short Line Railroads, Inc.		400,000.00					400,000.00
ArkLam, LLC		350,000.00					350,000.00
CDR, LLC		75,000.00					75,000.00
Choctaw Bayou Enterprise, LLC		5,000.00					5,000.00
Pre-Insulated Metal Technologies, Inc		500,000.00					500,000.00
Prime Line, Inc		140,000.00					140,000.00
Sage		800,000.00					800,000.00
Southwind Milling Company		1,000,000.00					1,000,000.00
Hillstern Farms (fka Vikon Farms)		214,000.00					214,000.00
Small Business Loan Guaranty							
Above and Beyond Home Care of Central AR			28,000.00				28,000.00
BlueInGreen - August 2014			140,000.00				140,000.00
BlueInGreen - August 2014			89,950.00				89,950.00
BlueInGreen - March 2015			140,000.00				140,000.00
BlueInGreen - March 2015			89,950.00				89,950.00
BlueInGreen - October 2015			89,950.00				89,950.00
BlueInGreen - March 2016			160,000.00				160,000.00
BlueInGreen - March 2016			160,000.00				160,000.00
Consolidated Construction			60,000.00				60,000.00
Consolidated Construction - January 2016			60,000.00				60,000.00
Erosion Control			32,000.00				32,000.00
Liberty Management Services			160,000.00				160,000.00
MoVista			160,000.00				160,000.00
Red Clay			160,000.00				160,000.00
Arkansas Risk Capital Matching							
Acumen Holdings				66,667.00			66,667.00
Ascendant Diagnostics				200,000.00			200,000.00
Bio Detection Instruments				70,000.00			70,000.00
Black Oak Analytics, Inc				300,000.00			300,000.00
BlueInGreen				300,000.00			300,000.00
First Orion				250,000.00			250,000.00
Merchant View				150,000.00			150,000.00
Movista				105,958.00			105,958.00
Nanowatt Design, Inc				25,000.00			25,000.00
Nanowatt Design, Inc II				25,000.00			25,000.00
SFC Fluidics				145,000.00			145,000.00
TiFiber, Inc				58,333.33			58,333.33
ADFA Co-Investment Fund							
Acumen Holdings					500,000.00		500,000.00
Apptegy					100,000.00		100,000.00
BlueInGreen					260,000.00		260,000.00
Insight Ecosystems					100,000.00		100,000.00
Merchant View					114,521.40		114,521.40
Movista					100,000.00		100,000.00
NanoMech					1,000,000.00		1,000,000.00
PicaSolar					300,000.00		300,000.00
Soul of the South Media Holdings					1,000,000.00		1,000,000.00
Seed & Angel Network							
ARK Investmt Fund (ARK Challenge 1)						150,000.00	150,000.00
ARK Investmt Fund (ARK Challenge 2)						125,000.00	125,000.00
ARK Investmt Fund 2014						175,000.00	175,000.00
Fund for Arkansas Future II						400,000.00	400,000.00
Gravity Ventures III						187,471.47	187,471.47
NewRoad Ventures						1,000,000.00	1,000,000.00
TriStar Technology Fund II (UAMS)						470,000.00	470,000.00
VIC Investor Network						125,000.00	125,000.00
Funded/Expensed To Date	45,100.04	4,654,000.00	1,529,850.00	1,695,958.33	3,474,521.40	2,632,471.47	14,031,901.24
Unfunded Commitments:							
Movista						-	-
Gravity Ventures III						62,528.53	62,528.53
TriStar Technology Fund II(UAMS)						30,000.00	30,000.00
Fund for Arkansas Future II						100,000.00	100,000.00
Total Unfunded Commitments	-	-	-	-	-	192,528.53	192,528.53
Total Funded/Unfunded Commitments	45,100.04	4,654,000.00	1,529,850.00	1,695,958.33	3,474,521.40	2,825,000.00	14,224,429.77

Arkansas Development Finance Authority
 State Small Business Credit Initiative
 Status Report As of 6/30/2016

	Lending		Investing			Total	
	Capital Access	Direct Loan	SBL Guaranty	Risk Capital Matching	Co investment Fund - ACIF		Seed & Angel Capital Network
RECAP BY PROGRAM:							
FINAL ALLOCATION	41,522.00	4,690,312.00	720,070.91	1,297,352.00	3,595,156.00	2,823,937.09	13,168,350.00
Recycled Funds	13,662.09	76,788.64	820,676.71	462,923.30	-	57,763.84	1,431,814.58
Less: Funded commitments to date	45,100.04	4,654,000.00	1,529,850.00	1,695,958.33	3,474,521.40	2,632,471.47	14,031,901.24
Less: Unfunded Commitments	-	-	-	-	-	192,528.53	192,528.53
Less: Expenses paid with allocation	10,084.05	113,100.64	10,897.62	64,316.97	120,634.60	56,700.93	375,734.81
Allocation Available	-	-	-	-	-	-	-
Total Program Income							787,435.45
Principal Receipts on Loans/Investments and Interest Earnings on Funds:							2,662,447.95
Less: Expenses Paid with Program Income							62,679.33
Less: Recycled Funds (see above):							1,431,814.58
Total Available							1,955,389.49

**ADFA Bond Guaranty Fund Data
As of June 30, 2016**

		Total Guaranty		
Bond Balances:				
IDB's		57,615,000		
City/Co Issues		3,375,000		
Total Bond Balances->		60,990,000		
Less Guaranty by WFF		(1,021,000)		
Direct/Interim Loan Balances:				
	ADFA's Share		Total O/S	% Guaranteed by
Horner Holdings, Inc. (HHI)	299,739		299,739	100% 0%
Safe Foods Corp.	1,674,591		3,349,183	50% 50%
Southwind Milling Co., LLC	274,753		549,505	50% 50%
Hillstern Farms, Ltd (fka Vikon Farms)	-		2,140,000	0% 100%
Total Direct Loans Only->	2,249,083		6,338,427	
Commitments that are unfunded:				
	ADFA's Share		Total Approved	% Guaranteed by
	-		Date Approved	ADFA AEDC/Other
Total Commitments yet to fund->	-			
Total Bonds, Direct Loans and Unfunded->	62,218,083			
Venture Capital Guaranty	10,000,000			
Total of all guaranties->	72,218,083			

	At Cost	Market Value
Bond Guaranty Reserve Fund		
Cash	2,223	2,223
Federated Treasury MMF	667,119	667,119
Various CD's	1,715,000	1,731,332
US Treasury Issues	1,291,943	1,370,335
US Government Agencies	14,332,378	14,414,773
Portfolio Totals->	18,008,662	18,185,781
Coverage Ratios:		
Leverage	4.010	3.971
% of Guaranty Reserve Fund	24.94%	25.18%

Additional sources of cash flows that will be credited to the guaranty fund:

	Total Due	Est of Expected Annual Payment	Periodic Payment	
Victory Lumber, LLC	504,358	65,088	5,424	M
Ouachita Hardwood Flooring, LLC	372,000	93,000	7,750	M
Arkansas Catfish Growers, LLC	310,951	38,441	38,441	A
Heartland Footwear, Inc	74,499	26,676	2,223	M
	1,261,807	223,205		

A = annual pmt, M = monthly pmt

Weighted Ave Years to Maturity and Weighted Ave Risk Factor

7/12/2016				
Portfolio	% of Total	Total Loan Balance /Code	Weighted Ave Years to Maturity	Weighted Ave Quality Risk Factor
311212 Rice Milling	6.14%	4,758,517	10.99	3.25
311411 Frozen Fruit, Juice and Veg Mfg	2.31%	1,792,500	8.31	4.46
311412 Frozen Specialty Food Mfg	9.72%	7,535,417	9.73	2.90
311423 Dried and Dehydrated Food Mfg	1.85%	1,436,277	12.44	3.63
311712 Fresh & Frozen Seafood Proc	0.52%	400,417	1.80	5.00
311821 Cookie & Cracker Mfg	0.08%	58,333	0.85	1.47
312140 Alcoholic Beverages (except Brandy) Distilling	0.10%	80,605	8.91	2.83
321918 Baseboards, Floor, Wood, mfg	3.08%	2,386,123	12.44	3.13
321999 All Other Misc Wood Product Mfg	2.17%	1,678,628	8.46	4.60
325211 Plastics Material & Resin Mfg	3.49%	2,706,781	6.87	4.07
327213 Glass Container Mfg	0.66%	512,083	1.79	3.58
327320 Central Mixed Concrete Mfg	0.39%	299,739	6.12	3.47
331111 Iron and Steel Mills	5.37%	4,161,433	11.06	2.7
332111 Iron and Steel Forging	7.74%	6,000,000	9.35	2.46
332116 Metal Stamping	0.21%	162,500	1.14	2.9
332311 Prefab Metal Bldg & Component Mfg	2.30%	1,785,833	8.31	2.91
332911 Industrial Valve Mfg	0.17%	130,000	1.96	4
334419 Other Electronic Comp Mfg	1.22%	948,333	4.87	3.21
337122 Nonupholstered Wood Household Furn Mfg	0.34%	259,822	6.31	3.17
339920 Sporting & Athletic Goods Mfg	0.21%	165,833	3.50	2.70
482112 Beltline Railroads	4.64%	3,597,500	17.22	3.13
531120 Lessors of Nonresidential Buildings	2.31%	1,788,333	7.48	2.71
541712 Research & Dev Phy, Engineering & Life Sciences	4.32%	3,349,183	-0.20	3.18
561910 Apparel Folding & Packaging Services	0.77%	598,750	9.29	3.21
611110 Elementary and Secondary Schools (1)	18.86%	14,615,791	19.37	3.02
622210 Psychiatric & Substance Abuse Hospitals	3.09%	2,397,500	17.87	2.73
624190 Other Individual & Family Services	2.16%	1,672,500	17.87	2.73
624110 Child & Youth Services	0.89%	686,667	5.39	2.1
713940 Fitness & Recreational Sports Ctrs	0.11%	87,697	4.94	2.69
813319 Other Social Advocacy Orgs	0.70%	538,750	4.39	2.10
921190 Other General Gov't Support (guaranteed)	0.62%	483,242	9.48	2.89
926110 Admin of General Economic Programs	0.55%	425,833	13.81	2.68
Portfolio Totals (guaranteed)	87.10%	67,500,920	11.89	3.08
Venture Capital Guarantee	12.90%	10,000,000		
Portfolio Totals (w/Venture Cap Guarantee)	100.00%	77,500,920		
611110 Elementary and Secondary Schools (1)	18.86%	14,615,791	19.37	3.02
(1) Existing private party guaranty		-569,000		
	18.12%	14,046,791		

7/12/2016

	%	Loan Balance
311212 Rice Milling		
Southwind Milling PF	0.67%	521,017
Southwind Milling Bond	5.47%	4,237,500
	6.14%	4,758,517
311411 Frozen Fruit, Juice and Veg Mfg		
American Veg & Soybean	2.31%	1,792,500
	2.31%	1,792,500
311412 Frozen Specialty Food Mfg		
Sage V Foods 05	1.61%	1,244,167
Sage V Foods LR 08	2.10%	1,631,250
Sage V Foods Little Rock 13Ref	1.63%	1,261,667
Sage V Foods II 12	0.90%	698,333
Global Foods 2015	3.48%	2,700,000
	9.72%	7,535,417
311423 Dried and Dehydrated Food Mfg		
Greenwave	1.85%	1,436,277
	1.85%	1,436,277
311712 Fresh & Frozen Seafood Proc		
Farm Fresh Catfish PF045	0.05%	37,845
Arkansas Catfish Growers PF048	0.07%	51,621
Arkansas Catfish Growers PFBG051	0.40%	310,951
	0.52%	400,417
311821 Cookie & Cracker Mfg		
J&M Foods Assumption (WPak 02)	0.08%	58,333
	0.08%	58,333
312140 Alcoholic Beverages (except Brandy) Distilling		
Vapor Valley Spirits (TOURVAPOR)	0.10%	80,605
	0.10%	80,605
321918 Baseboards, Floor, Wood, mfg		
Wine Dot 13	3.08%	2,386,123
	3.08%	2,386,123
321999 All Other Misc Wood Product Mfg		
ArkLam LLC 12	2.17%	1,678,628
	2.17%	1,678,628
325211 Plastics Material & Resin Mfg		
AREZ, LLC	3.49%	2,706,781
	3.49%	2,706,781
327213 Glass Container Mfg		
Arkansas Glass 10	0.66%	512,083
	0.66%	512,083
327320 Central Mixed Concrete Mfg		
Horner Holdings Inc	0.39%	299,739
	0.39%	299,739
331111 Iron and Steel Mills		
Welspun Pipe 07	5.37%	4,161,433
	5.37%	4,161,433
332111 Iron and Steel Forging		
Southwest Steel Processing 2015	7.74%	6,000,000
	7.74%	6,000,000
332116 Metal Stamping		
JMS Processing 05	0.21%	162,500
	0.21%	162,500
332311 Prefab Metal Bldg & Component Mfg		
Pre-Insulated Metal Tech	2.30%	1,785,833
	2.30%	1,785,833
332911 Industrial Valve Mfg		
JSW Holdings 03	0.17%	130,000
	0.17%	130,000

	%	Loan Balance
334419 Other Electronic Comp Mfg		
Madison Industrial	1.22%	948,333
	1.22%	948,333
337122 Nonupholstered Wood Household Furn Mfg		
MED Corp Spec	0.34%	259,822
	0.34%	259,822
339920 Sporting & Athletic Goods Mfg		
Rich N Tone 01	0.01%	8,333
Rich N Tone 05	0.20%	157,500
	0.21%	165,833
482112 Beltline Railroads		
AR Short Line RR	4.64%	3,597,500
	4.64%	3,597,500
531120 Lessor of Nonresidential Bldgs		
TPC Development 13Ref	2.31%	1,788,333
	2.31%	1,788,333
541712 Research & Dev Phy, Engineering & Life Sciences		
Safe Foods PFBGSafefood	4.32%	3,349,183
	4.32%	3,349,183
561910 Apparel Folding & Packaging Services		
CDR 2013	0.77%	598,750
	0.77%	598,750
611110 Elementary and Secondary Schools (1)		
Maumelle Foundation (Academics)	7.66%	5,935,000
LISA Academy	5.57%	4,315,791
Jacksonville Lighthouse	5.63%	4,365,000
	18.86%	14,615,791
622210 Psychiatric & Substance Abuse Hospitals		
United Methodist Behavioral 14A	3.09%	2,397,500
	3.09%	2,397,500
624110 Child & Youth Services		
McRae 501c 01	0.89%	686,667
	0.89%	686,667
624190 Other Individual & Family Services		
Methodist Family Health Found 14	2.16%	1,672,500
	2.16%	1,672,500
713940 Fitness & Recreational Sports Ctrs		
Fairfield Bay	0.11%	87,697
	0.11%	87,697
813319 Other Social Advocacy Orgs		
Comm Living / Seasons 00	0.70%	538,750
	0.70%	538,750
921190 Other General Gov't Support (guaranteed)		
Central AR Planning/AADO 08	0.48%	368,333
Bradley Cty IDC SPEC	0.15%	114,909
	0.62%	483,242
926110 Admin of General Economic Programs		
West Central AR EDS	0.55%	0
	0.55%	425,833
Portfolio Totals (guaranteed)	87.10%	67,500,920
Venture Capital Guarantee	12.90%	10,000,000
Portfolio Totals (w/Venture Cap)	100.00%	77,500,920
611110 Elementary and Secondary Schools (1)		
Maumelle Foundation (Academ	7.66%	5,935,000
LISA Academy	5.57%	4,315,791
Jacksonville Lighthouse	5.63%	4,365,000
	18.86%	14,615,791
(1) Existing private party guaranty		-569,000
	18.12%	14,046,791

Bond Guarantee Debt Service Coverage By Year			
Year	Annual Debt Service	ADFA Guaranty Fund Account	Debt Service Coverage Ratio
2016	\$4,389,193.09	\$18,005,283.95	4.10
2017	9,167,253.72	18,005,283.95	1.96
2018	7,182,394.08	18,005,283.95	2.51
2019	6,295,598.54	18,005,283.95	2.86
2020	6,291,552.66	18,005,283.95	2.86
2021	5,511,473.42	18,005,283.95	3.27
2022	5,348,185.89	18,005,283.95	3.37
2023	5,633,497.66	18,005,283.95	3.20
2024	4,691,732.42	18,005,283.95	3.84
2025	3,649,276.18	18,005,283.95	4.93
2026	2,812,183.74	18,005,283.95	6.40
2027	8,302,513.00	18,005,283.95	2.17
2028	2,487,118.50	18,005,283.95	7.24
2029	1,612,305.66	18,005,283.95	11.17
2030	2,478,816.98	18,005,283.95	7.26
2031	1,324,410.20	18,005,283.95	13.59
2032	1,324,754.18	18,005,283.95	13.59
2033	1,322,922.56	18,005,283.95	13.61
2034	1,003,938.74	18,005,283.95	17.93
2035	701,081.28	18,005,283.95	25.68
2036	698,196.32	18,005,283.95	25.79
2037	454,190.00	18,005,283.95	39.64
2038	159,156.22	18,005,283.95	113.13
2039	158,624.94	18,005,283.95	113.51
2040	157,906.22	18,005,283.95	114.03

Notes:

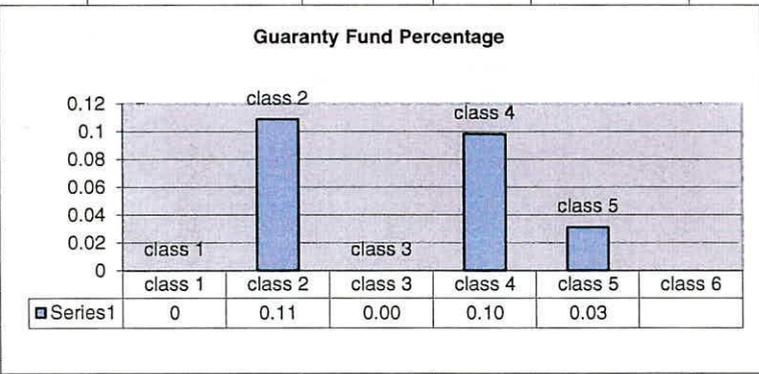
DOES NOT INCLUDE \$10 MILLION FOR VENTURE CAPITAL PROGRAM

2016 debt services is for the period of July 12 through December. All other years are shown on a calendar year basis.

The ADFA Guaranty Fund Account balance is as of July 12, 2016

Portfolio Report

as of	7/12/2016			LOAN		% OF	% OF GUARANTY		LAST	
COMPANY			ORIGINAL	CURRENT		PORTFOLIO	FUND	RESERVE	RATING	
Status of § 15-5-405 (2)(A)(B)		150,000,000 less current bond balance		=	89,010,000					
				Current Bond Gty Fund			17,990,271			
EDBR			72,032,500	55,333,181	81.97%	82.64%	1,815,901			
CITY / COUNTY ISSUES			12,000,000	7,054,350	10.45%	10.54%	170,016			
DIRECT LOANS			15,328,714	4,570,356	6.77%	6.83%	411,857			
DAYCARE REVOLVING LOAN FUND			0	0	0.00%		0			
SPEC BLDG LOAN			975,000	374,731	0.56%		3,447			
PORT REVOLVING LOAN FUND			-	-	0.00%		0			
TOURISM DEV LOAN PROGRAM			350,000	168,302	0.25%		1,922			
SPECIAL (STATE FACILITY)										
PORTFOLIO			100,686,214	67,500,920	100%		2,403,143			
GUARANTEE FUND LOAN BALANCE (EDBR, CITY/COUNTY, DIRECT)				66,957,887			100%			



ADFA SPECULATIVE BUILDING LOAN
PROGRAM

BORROWER	DATE	LOAN AMT	CURRENT BALANCE	COMMENTS
Clark County	11/20/89	\$135,000	\$0	Sold to Petit Jean Poultry. 200 jobs
Conway County	11/30/90	\$150,250	\$0	Leased to Semco in 1998. 100 jobs opened
El Dorado	01/23/91	\$150,000	\$0	Paid off 7/28/94
Greene County	06/30/91	\$135,000	\$0	sold to Monroe
Clark County	11/19/91	\$135,000	\$0	Building is leased to Polycarbon, 1996. 40 jobs opened
Hempstead County	10/01/96	\$253,542	\$0	prospects but no firm deal
City of Warren	03/30/00	\$267,750	\$0	Leased to H&L Poultry 2001. 288 jobs opened
Cross County	04/02/01	\$234,000	\$0	
Russellville EDP	02/09/02	\$354,080	\$0	
MED Corp	10/25/02	\$600,000	\$259,822	
Garland Cnty IDC	06/06/03	\$875,000	\$0	Technology Plaza Bldg
Paragould EDC	11/05/03	\$1,000,000	\$0	Sold to pharmaceutical distribution center
Bradley County	09/01/04	\$375,000	\$114,909	
Total Active		\$1,462,542	\$374,731	
Total		\$4,664,622		

Capital Access Loan Program Cumulative Program Activity

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Industry Sector	No. of Loans	% of Loans	Guaranteed Loan Amt.	Public Funds	% of Total Funds	Average Loan Amount
11: Agriculture, Forestry, Fishing, Hunting	179	31.57%	\$7,655,806.43	\$195,269.04	29.41%	\$42,770
21: Stone Mining, Rock Quarry	1	0.18%	\$3,000.00	\$135.00	0.02%	\$3,000
23: Construction	38	6.70%	\$1,244,413.92	\$44,512.65	6.70%	\$32,748
31, 32, 33: Mfg - Food-Wood-Metal	40	7.05%	\$1,742,936.00	\$68,118.28	10.26%	\$43,573
42, 44-45: Wholesale / Retail Trade	105	18.52%	\$3,165,247.15	\$128,043.80	19.29%	\$30,145
48-49: Transportation / Warehousing	30	5.29%	\$890,901.37	\$36,241.13	5.46%	\$29,697
51: Information	2	0.35%	\$13,000.00	\$585.00	0.09%	\$6,500
52: Finance & Insurance	3	0.53%	\$46,000.00	\$1,680.00	0.25%	\$15,333
53-81: All Other Services (except Public Admin)	169	29.81%	\$5,060,284.16	\$189,359.36	28.52%	\$29,943
Totals	567	100.00%	\$19,821,589.03	\$663,944.26	100.00%	

BY COUNTY						
Benton	17	3.00%	218,000.00	9,870.00	1.49%	\$12,823.53
Boone	33	5.82%	\$734,562.54	\$33,055.57	4.98%	\$22,259.47
Bradley	94	16.58%	\$4,124,271.91	\$113,183.69	17.05%	\$43,875.23
Carroll	12	2.12%	\$214,150.00	\$9,186.75	1.38%	\$17,845.83
Chicot	1	0.18%	\$10,000.00	\$450.00	0.07%	\$10,000.00
Clark	63	11.11%	\$1,513,855.78	\$52,672.70	7.93%	\$24,029.46
Clay	1	0.18%	\$200,000.00	\$9,000.00	1.36%	\$200,000.00
Columbia	2	0.35%	\$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	0.35%	\$55,000.00	\$2,475.00	0.37%	\$27,500.00
Crawford	3	0.53%	\$40,000.00	\$1,800.00	0.27%	\$13,333.33
Cross	2	0.35%	\$30,000.00	\$900.00	0.14%	\$15,000.00
Dallas	3	0.53%	\$73,500.00	\$2,985.00	0.45%	\$24,500.00
Desha	6	1.06%	\$486,000.00	\$12,915.00	1.95%	\$81,000.00
Drew	1	0.18%	\$333,400.00	\$10,002.00	1.51%	\$333,400.00
Garland	18	3.17%	\$1,283,679.00	\$29,815.58	4.49%	\$71,315.50
Hempstead	11	1.94%	\$782,952.12	\$21,590.12	3.25%	\$71,177.47
Hot Spring	3	0.53%	\$89,500.00	\$4,515.00	0.68%	\$29,833.33
Howard	2	0.35%	\$47,000.00	\$1,560.00	0.23%	\$23,500.00
Jefferson	19	3.35%	\$930,702.73	\$37,912.12	5.71%	\$48,984.35
Lafayette	36	6.35%	\$1,091,608.78	\$27,334.02	4.12%	\$30,322.47
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	0.53%	\$386,000.00	\$17,370.00	2.62%	\$128,666.67
Madison	24	4.23%	\$193,300.00	\$8,518.50	1.28%	\$8,054.17
Marion	1	0.18%	\$10,000.00	\$450.00	0.07%	\$10,000.00
Miller	76	13.40%	\$3,464,214.61	\$86,395.70	13.01%	\$45,581.77
Mississippi	2	0.35%	\$33,945.50	\$3,360.00	0.51%	\$16,972.75
Monroe	10	1.76%	\$928,721.63	\$29,884.95	4.50%	\$92,872.16
Newton	3	0.53%	\$30,000.00	\$1,350.00	0.20%	\$10,000.00
Phillips	7	1.23%	\$181,620.00	\$9,700.32	1.46%	\$25,945.71
Pike	1	0.18%	\$11,500.00	\$345.00	0.05%	\$11,500.00
Poinsett	15	2.65%	\$482,490.50	\$38,310.32	5.77%	\$32,166.03
Polk	2	0.35%	\$65,000.00	\$3,675.00	0.55%	\$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	0.42%	\$62,500.00
Pulaski	39	6.88%	\$725,127.70	\$35,874.99	5.40%	\$18,593.02
Searcy	4	0.71%	\$30,000.00	\$1,350.00	0.20%	\$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	1.59%	\$221,039.73	\$8,027.30	1.21%	\$24,559.97
Union	2	0.35%	\$90,000.00	\$4,950.00	0.75%	\$45,000.00
Van Buren	2	0.35%	\$36,560.00	\$3,065.40	0.46%	\$18,280.00
Yell	1	0.18%	\$10,000.00	\$450.00	0.07%	\$10,000.00
Washington	29	5.11%	\$331,000.00	\$14,895.00	2.24%	\$11,413.79
Woodruff	1	0.18%	\$35,241.50	\$3,171.73	0.48%	\$35,241.50
Totals	567	100.00%	\$19,821,589.03	\$663,944.26	100.00%	

RESERVE BALANCES			
Bank Name	RESERVE BALANCE	CLAIMS by Borrower	
Southern Finl Part [closed]	\$0.00	Southern Finl Part	3
CSB / Bank of Bradley	\$74,954.98	Community State Bank	7
Community First Bank	\$7,274.98	Community First Bank	8
Southern Bancorp	\$66,905.33	Elk Horn Bank & Trust	8
Enterprise Corp of the Delta	\$85,665.92	Ent Corp of the Delta	1
Regions [closed]	\$0.00	Regions [closed]	
1st Jacksonville Bank [closed]	\$0.00	First Jacksonville Bank	1
Little River Bank of Lepanto	\$36,003.54	Little River Bank (Inactive)	1
Alt.Consulting	\$27,079.17	Alt.Consulting	2
ACCION	\$7,010.74	ACCION	2
Fidelity National	\$0.00	Fidelity National	
FORGE	\$65,805.33	FORGE	1
Totals	\$370,699.99	Claim Totals	34

Capital Access Loan Program

Cumulative Program Activity

12-Jul-16

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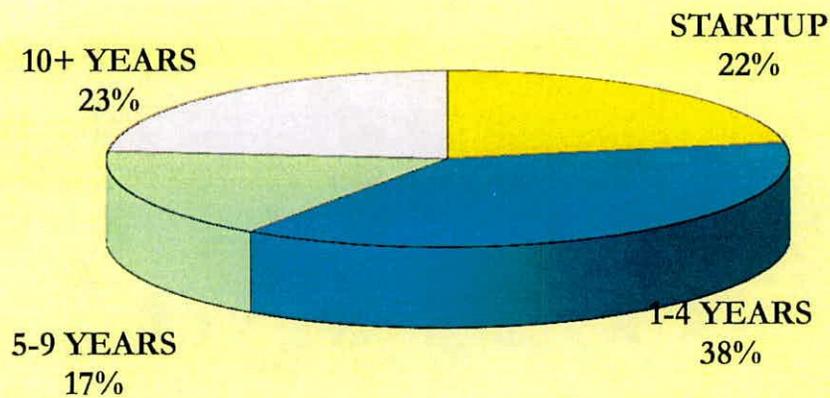
BY SIZE

Guaranteed Loan Size	No. of Loans	% of Loans	Dollar Amount
0-\$24,999	343	60.49%	\$4,984,748.70
\$25,000-\$49,999	124	21.87%	\$4,352,448.50
\$50,000-\$74,999	38	6.70%	\$1,900,533.65
\$75,000-\$99,999	14	2.47%	\$909,682.92
\$100,000-\$124,999	14	2.47%	\$1,364,031.50
\$125,000 and up	34	6.00%	\$6,310,143.76
Totals	567	100.00%	\$19,821,589.03

No. of Jobs	2564
Public \$ Leverage	30.21 to 1

BY AGE

LOANS BY AGE OF BUSINESS



Capital Access Loan Program

Minority Program Activity

July-16

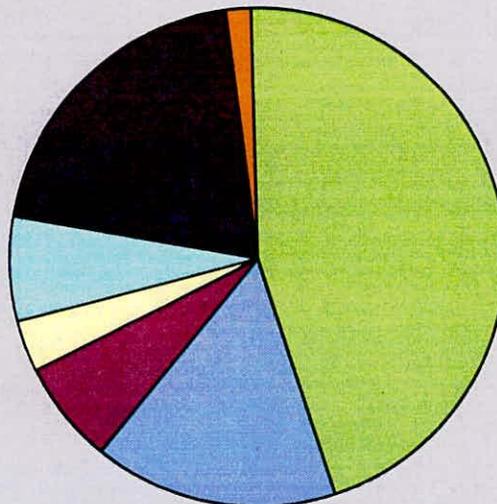
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INDUSTRY	NO. OF LOANS	AMOUNT OF LOANS	PUBLIC FUNDS
11-Nonmfg-Agriculture	19	616,139.50	\$21,908.92
23-Construction	8	108,652.73	\$4,025.37
31, 32, 33: Mfg - Food-Wood-Metal	4	75,939.00	\$2,728.17
48-49 Nonmfg-Transp/PubUtil	8	163,953.63	\$7,829.95
42, 44, 45 Nonmfg-Whol/Retail Tra	24	426,466.77	\$16,100.86
51: Information	2	13,000.00	\$585.00
53-81-Other Nonmfg-Services	54	1,366,485.59	\$53,907.17
Totals	119	\$ 2,770,637.22	\$107,085.44

Program Comparative	NO. OF LOANS	AMOUNT OF LOANS	PUBLIC FUNDS
Totals			
Minority Loan Totals	119	\$2,770,637.22	\$107,085.44
Total Cap Program Activity	567	\$19,821,589.03	\$663,944.26
Percentage Minority Activity	20.99%	13.98%	16.13%

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 7/12/2016	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	29	721,291.95	63,810.57	58,370.00	7,213.65	0.00	11	101	122		\$0.00
Southern Bancorp Arkadelphia	2	53,676.75	4,532.18	4,000.00	525.00		1	2	8		\$35,121.94
TOTALS*	31	\$774,968.70	\$68,342.75	\$62,370.00	\$7,738.65	\$0.00	12	103	130		\$35,121.94

*Total # of loans does not reflect renewals

Program Comparative Totals	No. Of Loans	Amount of Loans	Public Funds
Minority/Female Loans Report	12	\$367,161.49	\$24,370.00
Total Program Activity	31	\$774,968.70	\$62,370.00
Percentage			
Minority/Female Loan Activity	39%		

Volume Cap Memorandum

Volume Cap Memorandum							
To:	ADFA Board of Directors						
From:	Camilla Davis, Volume Cap Manager						
Date:	12-Jul-16						
Re:	2016 Monthly Summary						
	1/1/16 Allotment	Carryforward	Total	Reserved/Issued to Date	Transfer to General	Balance Remaining	
ADFA SFH (17%)	\$51,488,750				\$0.00	\$51,488,750	
2013 SFH CF		\$290,645,000	\$938,473,750			\$290,645,000	
2014 SFH CF		\$296,825,000				\$296,825,000	
2015 SFH CF		\$299,515,000				\$299,515,000	
ADFA MFH (10%)	\$30,287,500			\$30,287,500		\$0	\$30,287,500
ADFA IDBs (33%)	\$99,948,750		\$99,948,750		\$0	\$99,948,750	
ASLA (10%)	\$30,287,500		\$30,287,500		\$0	\$30,287,500	
General (30%)	\$90,862,500		\$90,862,500	\$2,100,000	\$0	\$88,762,500	
Totals:	\$302,875,000	\$886,985,000	\$1,189,860,000	\$2,100,000		\$1,187,760,000	
					Less: Carryforward Balances*	\$886,985,000	
					Total Available	\$300,775,000	
<p>* Carryforward balances are not available for use except by the categories to which they belong.</p> <p>** The 2015 remaining balance of \$299,515,000 has been approved for MCC carryforward.</p>							

ARKANSAS VENTURE CAPITAL INVESTMENT TRUST
Investment Report
Quarter Ended June 30, 2016

COMPANY NAME	ARKANSAS RISK CAPITAL MATCHING FUND			SEED & ANGEL CAP NETWORK		ADFA CO-INVESTMENT		VCIT	Total Funded	Unfunded	Return of Capital	Write down of balance	Outstanding Balance	Income or Gain
	TECH	ENTERPRISE	ENT DEV WITH	SSBCI	DISCRETION	SSBCI	DISCRETION	"GENERAL ACCT"						
	VALIDATION	DEV	SSBCI											
Acumen Brands	0	250,000	66,667	0	0	500,000	0	0	816,667	0	566,667	0	250,000	1,016,123
Agricultural Foods Systems	0	0	0	0	15,000	0	0	0	15,000	0	0	0	15,000	0
AgRobotics	0	200,000	0	0	0	0	0	0	200,000	0	0	151,015	48,985	0
Apptegy	0	0	0	0	0	100,000	0	0	100,000	0	0	0	100,000	0
Ark Investment Fund 2014	0	0	0	175,000	0	0	0	0	175,000	0	0	0	175,000	0
Ark Investment Fund II, LLC	0	0	0	125,000	0	0	0	0	125,000	0	11,729	21,365	91,906	0
ARK Investment Fund, LLC	0	0	0	150,000	0	0	0	0	150,000	0	0	32,857	117,143	0
Ascendant Diagnostics	100,000	0	200,000	0	0	0	0	0	300,000	0	0	0	300,000	0
Bear State Technologies	45,000	0	0	0	0	0	0	0	45,000	0	0	0	45,000	0
Bio Detection Instruments	0	0	70,000	0	0	0	0	0	70,000	0	0	0	70,000	0
Biologics MD	0	145,494	0	0	0	0	0	0	145,494	0	0	0	145,494	0
Black Oak Analytics, Inc	0	0	300,000	0	0	0	0	0	300,000	0	0	0	300,000	0
BluelnGreen	0	450,000	300,000	0	0	260,000	0	0	1,010,000	0	0	0	1,010,000	0
BlueOak Arkansas	0	0	0	0	0	0	3,000,000	0	3,000,000	0	0	0	3,000,000	0
Btiques	0	0	0	0	50,000	0	0	0	50,000	0	0	50,000	0	0
Cardio Wise	100,000	0	0	0	0	0	0	0	100,000	0	0	0	100,000	0
Collinear Networks, Inc	0	0	0	0	0	0	1,000,000	0	1,000,000	0	0	0	1,000,000	0
DataCo Technologies, Inc	0	600,000	0	0	0	0	300,000	0	900,000	0	0	0	900,000	0
Diamond State Ventures	0	0	0	0	0	0	0	41,379	41,379	0	41,379	0	0	215,821
Energy Design Group Enterprises, I	0	0	0	0	0	0	542,000	0	542,000	0	0	0	542,000	0
Eyeanalyze, Inc.	60,000	0	0	0	0	0	0	0	60,000	0	0	0	60,000	0
First Orion	0	500,000	250,000	0	0	0	0	0	750,000	0	0	0	750,000	0
Fund for Arkansas Future II	0	0	0	400,000	0	0	0	0	400,000	100,000	0	0	400,000	0
Gravity Ventures III	0	0	0	187,471	0	0	0	0	187,471	62,529	0	0	187,471	0
Greenwave Brands, Inc	0	0	0	0	0	0	500,000	0	500,000	0	0	0	500,000	0
Hayseed Ventures	0	500,000	0	0	0	0	0	0	500,000	0	0	0	500,000	0
HomeDX, Inc	0	0	0	0	0	0	400,000	0	400,000	0	0	0	400,000	0
Info Assembly	0	0	0	0	50,000	0	0	0	50,000	0	0	0	50,000	0
Innovis Labs / Overwatch	0	0	0	0	50,000	0	0	0	50,000	0	0	0	50,000	0
Insight Ecosystems	0	50,000	0	0	0	100,000	0	0	150,000	0	0	0	150,000	0
Langhar	0	0	0	0	50,000	0	0	0	50,000	0	17,720	32,280	0	0
Merchant View/Movista	109,998	0	255,958	0	0	214,522	99,450	0	679,928	0	0	0	679,928	0
Minewhat, Inc.	0	0	0	0	50,000	0	0	0	50,000	0	0	0	50,000	0
NanoMech	0	750,000	0	0	0	1,000,000	1,600,000	0	3,350,000	0	0	0	3,350,000	0
Nanowatt Design Inc	100,000	0	50,000	0	0	0	0	0	150,000	0	0	0	150,000	0
NewRoad Ventures	0	0	0	1,000,000	0	0	0	0	1,000,000	0	400,000	0	600,000	200,000
Now Diagnostics	0	0	0	0	0	0	1,000,000	0	1,000,000	0	0	0	1,000,000	0
Nutraceutical Innovations	100,000	0	0	0	0	0	0	0	100,000	0	0	0	100,000	0
OsteoVantage	100,000	0	0	0	0	0	0	0	100,000	0	0	0	100,000	0
Passenger Baggage Xpress (Loan)	18,000	0	0	0	0	0	0	0	18,000	0	0	0	18,000	0
Pathagility	90,000	0	0	0	0	0	0	0	90,000	0	0	0	90,000	1,269
PicaSolar	100,000	0	0	0	0	300,000	300,000	0	700,000	0	0	0	700,000	0
Poly Adaptive LLC	36,000	0	0	0	0	0	0	0	36,000	0	0	0	36,000	0
RX Results	0	200,000	0	0	0	0	0	0	200,000	0	0	0	200,000	0
RX Results (Loan)	0	200,000	0	0	0	0	0	0	200,000	0	0	0	200,000	21,000
SFC Fluidics	113,139	0	145,000	0	0	0	0	0	258,139	0	0	0	258,139	0
Shield Aerodynamics (Loan)	90,000	0	0	0	0	0	0	0	90,000	0	0	0	90,000	0
Soul of the South Media Holdings	0	0	0	0	0	1,000,000	0	0	1,000,000	0	0	999,999	1	0
Stacksearch, Inc	0	0	0	0	50,000	0	0	0	50,000	0	0	0	50,000	0
Stage I Diagnostics	0	225,000	0	0	0	0	0	0	225,000	0	0	0	225,000	0
TiFiber	100,000	0	58,333	0	0	0	0	0	158,333	0	0	0	158,333	0
TriStar Technology Fund II-UAMS	0	0	0	470,000	0	0	0	0	470,000	30,000	0	0	470,000	15,403
VIC Investor Network	0	0	0	125,000	0	0	0	0	125,000	0	0	0	125,000	0
Vivione Biosciences	0	0	0	0	0	0	195,083	0	195,083	0	0	177,803	17,280	0
	1,262,137	4,070,494	1,695,958	2,632,471	315,000	3,474,522	8,936,533	41,379	22,428,494	192,529	1,037,495	1,465,319	19,925,680	1,469,616



Memorandum & Board Report
Farmer / Creditor Mediation Program

To: ADFA Board of Directors
From: Stanley M. "Jack" Bell *JB*
Date: July 11, 2016
Re: June 2016 Farm Mediation Report

For the month of June 2016, forty-nine (49) Arkansas farmers were offered the opportunity to mediate and provided statutory notice of the right to request mediation. The amount of debts from the initiating lenders totaled \$12,790,108.53. Four (4) FSA / USDA adverse decision matters were forwarded to the program. There were three (3) credit mediations and three (3) USDA /FSA adverse decision voluntary mediation performed.

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.

Recertification materials to continue as an Agriculture Mediation Program for fiscal year 2017 was received and has begun.

CAPITOL BOND
25% COTTON
30% POST-CONSUMER





MEMORANDUM

To: ADFA Board of Directors
From: Cheryl Schluterman, CPA (with signature)
Vice President for Finance & Administration
Re: July Board Report
Date: July 13, 2016

The following items are presented for Board review:

Bond Calls – July 2016

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

Table with columns for bond series and amount. Includes sections for Single Family Bonds, Multi-Family Conduit Issue, and Guaranteed City Issued Bonds. Total Bond Calls amount to \$16,353,661.

*Bond Redemptions not reported in previous months
**Bonds were paid in full June 2016.



Interagency Programs as of June 30, 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.

Program	Loan Balance	No. of loans	Net Bond Balance
<u>ANRC</u>			
Wastewater RLF	\$ 234,595,552	59	\$ 30,544,655
Safe Drinking	\$ 170,151,657	60	\$ 22,993,460
Wetlands Mitigation	\$ 932,514	2	
<u>Higher Education</u>			
Community/Technical College	\$ 5,918,491	12	
<u>AEO-AEDC</u>			
Industry Energy Technical	\$ -	0	
Employer Assisted Home Energy	\$ 45,143	1	
<u>DHS</u>			
Assisted Living Fund	\$ 756,376	1	

• **Prison Construction Trust Fund as of June 30, 2016**

Bank Balance	Unfunded Contracts	Unfunded Loans	Bonds Outstanding
\$9,037,360	\$4,217,830	\$622,524	\$25,760,000

*Represents 2016 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 June 30, 2016**

	Cash	Investments	Loans	Total
Enterprise Development				
Ark Risk Capital Matching	\$149,411	\$3,469,479	\$200,000	\$3,818,890
SSBCI		1,629,291		1,629,291
Technology Validation	2,538	1,154,137	\$108,000	1,264,675
Arkansas Co-Investment Fund:				
Discretionary (GQAC)		8,758,730		8,758,730
SSBCI		2,224,523		2,224,523
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	402,611			402,611
Arkansas Venture Development Fund		474,277		474,277
Arkansas Institutional Fund*	120	19,777,012		19,777,132
Totals	\$1,170,083	\$39,868,969	\$308,000	\$41,347,052

*The information for the Arkansas Institutional Fund includes the December 31, 2015 (unaudited) balances per Cimarron Capital plus the activity for January through June of 2016.

- State Operating Budget Summary as of June 30, 2016

	Actual	Budget	Percent Expended
Salaries and Benefits	\$4,524,398	\$4,614,328	98%
General Operations	624,061	825,458	76%
Travel and Education	31,339	81,715	38%
Professional Fees and Services	102,623	117,915	87%
Information Technology	259,471	264,512	98%
Capital Outlay	-	23,000	0%
Housing Trust Fund	30,244	45,718	66%
TOTAL OPERATING EXPENDITURES	5,572,136	5,972,646	93%
HUD HOME Program	10,355,195	16,341,215	63%
Neighborhood Stabilization Program (NSP)	-	1,400,000	0%
Special Federal Grants	-	6,600,000	0%
TOTAL FEDERAL PROGRAM EXPENDITURES	10,355,195	24,341,215	43%
TOTAL EXPENDITURES	\$15,927,331	\$30,313,861	53%

- General Fund Programs as of June 30, 2016

Program Name	Board Authorization Date	Amount	Original Loan Amount	6/30/2016 Outstanding Balance
Arkansas Tourism Revolving Loan Fund	6/18/1998	\$2,000,000	\$645,000	\$168,302
Habitat for Humanity, Pulaski County	12/20/2012	300,000	224,813	197,619
Speculative Building Program (additional funding approved)	Unknown			
Port Authority	3/18/99,3/20/03	5,000,000	4,666,102	377,196
Day Care Center Program	8/17/1997	2,000,000	54,334	—
Direct Loan Program	9/96	500,000	137,500	—
Single Family DPA	*	*	107,986,646	7,223,026
	**	revolving		6,108,763
TOTAL				\$14,074,906

*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 May 31, 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 June 2016:

GASB 72: Fair Value Measurement & Application (BKD, LLP) –
Hope Lewis, Tracy Green, Kim Poposky, Cheryl Schluterman

ASBPA Investigative Issues/War Stories (Accounting & Financial Women's Alliance) –
Kim Poposky

SSBCI – Changing Prior Year Reports (SSBCI) –
Hope Lewis

NOTE: In addition to external training, several F&A staff members are cross-training to better distribute workload and/or to provide backup support as needed. We will continue to expand our cross-training efforts.

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
BALANCE SHEET - UNAUDITED
MAY 31, 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	46,856,241	3,430,638	3,947,538	9,318,471	24,086,000	4,158,209	8,869,486	5,426,703	3,498,982	161,930,554	271,522,822
Accounts receivable		547,176	(1,054)	(45,853)	43,364		421,377			25,268,500	26,233,510
Accrued interest receivable	1,009,366	73,503	16,566	70,903	124,914	4,724	224,916	4,431	17,195	751,153	2,297,671
Accrued rent receivable				2,180	55,365						57,545
Investments, at amortized cost	263,981,702		1,895	16,828,930	1,479,528		60,002,354	4,230,085	5,200,892	130,831,407	482,556,793
Loans receivable, at amortized cost, net		84,757,640	4,444,478	49,773,737	69,369,630	3,077,696	21,844,253	59,927,725	50,000,000	410,289,512	753,484,671
Long Term Receivable											0
Real Estate Owned		64,194		1,468,471			1				1,532,666
Deferred charges	97,082						827,275			10,340	934,697
Direct Financing Leases				1,620,781	114,272,155						115,892,936
Installment Sale Agreements											0
Capitalized Assets							36,838				36,838
TOTAL ASSETS	311,944,391	88,873,151	8,409,423	79,037,620	209,430,956	7,240,629	92,226,500	69,588,944	58,717,069	729,081,466	1,654,550,149
LIABILITIES AND FUND BALANCES											
LIABILITIES:											
Bonds and notes payable, net of unamortized discounts and premiums	199,650,757	2,055,328		57,905,000	190,075,000			84,072,725	50,000,000	62,855,463	646,614,273
Accrued interest payable	2,575,945	3,318		633,226	1,892,514			627,456		1,338,237	7,070,696
Accounts payable		289,089	1,945,333	(13,628)	4,291,267	18,623	887,201	12,796	3,426,029	25,006,285	35,862,995
OPEB and pension liabilities							4,553,897				4,553,897
Deferred fees, advances, grants and credits				3,785,641	13,150,498	22,653	1,093,125	3,846,773	5,291,040	39,881	27,229,611
Total liabilities	202,226,702	2,347,735	1,945,333	62,310,239	209,409,279	41,276	6,534,223	88,559,750	58,717,069	89,239,866	721,331,472
FUND BALANCES											
Restricted by bond resolution and programs	109,717,689	86,525,416	6,464,090	16,727,381	21,677	7,199,353		(18,970,806)	0	639,841,600	847,526,400
Invested in capital assets							36,838				36,838
Unrestricted							85,655,439				85,655,439
TOTAL LIABILITIES AND FUND BALANCES	311,944,391	88,873,151	8,409,423	79,037,620	209,430,956	7,240,629	92,226,500	69,588,944	58,717,069	729,081,466	1,654,550,149

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE FOR
THE ELEVEN MONTH PERIOD ENDED MAY 31, 2016 - UNAUDITED

For Internal Purposes Only

	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		683,813	55,527	2,087,595	5,959,995	72,335	725,727	2,635,669		7,170,724	19,391,385
Investments	11,713,709	2,371	1,558	241,116		3,701	1,820,610			787,650	14,570,715
Amortization of discounts and premiums on loans and investments, net	130,483		(126)	(4,712)			20,882			(195,752)	(49,225)
Financing fee income		499		315,351		79,025	3,139,955			3,750,327	7,285,157
Total Interest Income	11,844,192	686,683	56,959	2,639,350	5,959,995	155,061	5,707,174	2,635,669	-	11,512,949	41,198,032
Federal financial assistance		6,464,967		265,462	337,219		60,194			23,803,463	30,931,305
Other income (loss)				(4,571)			(10,349)			75,340	60,420
TOTAL REVENUES	11,844,192	7,151,650	56,959	2,900,241	6,297,214	155,061	5,757,019	2,635,669	-	35,391,752	72,189,757
EXPENSES:											
Interest on bonds and notes:											
Current interest	6,947,428	19,360		2,002,465	6,275,537			1,191,128		2,463,156	18,899,074
Accreted interest								2,635,669			2,635,669
Total interest on bonds and notes	6,947,428	19,360	0	2,002,465	6,275,537	0	0	3,826,797	0	2,463,156	21,534,743
Amortized public discounts and premiums on bonds and notes	(210,378)									(865,637)	(1,076,015)
Amortized bond and note issuance cost											0
Provision for losses		(997,673)	533,898	(49,896)		319,981	126,339				(67,351)
Federal financial assistance programs		3,739,555		265,462						3,579,824	7,584,841
Pymts to BMIR Re incentive Participants											0
Administrative expenses:											
Salaries and benefits							4,096,555				4,096,555
Operations and maintenance		817,773					890,709			313	1,708,795
Other	583,341	94,032	(112)	86,044		77,677	451,203			320,394	1,612,579
TOTAL EXPENSES	7,320,391	3,673,047	533,786	2,304,075	6,275,537	397,658	5,564,806	3,826,797	0	5,498,050	35,394,147
REVENUES OVER (UNDER) EXPENSES	4,523,801	3,478,603	(476,827)	596,166	21,677	(242,597)	192,213	(1,191,128)	0	29,893,702	36,795,610
Transfer (to) from other funds	28,436	5,797				(546,086)	(175,444)	5,000,000		(2,770,486)	1,542,217
REVENUES OVER (UNDER) EXPENSES	4,552,237	3,484,400	(476,827)	596,166	21,677	(788,683)	16,769	3,808,872	0	27,123,216	38,337,827
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	109,717,689	86,525,416	6,464,090	16,727,381	21,677	7,199,353	85,692,277	(18,970,806)	0	639,841,600	933,218,677

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
DELINQUENCY AND OTHER REAL ESTATE SUMMARY
June-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	\$ -	\$ -	\$ -	\$ -	\$ 1,211,534.13
27	Tax Credit Assistance Program (TCAP)	0	\$ -	\$ -	\$ -	\$ -	\$ 19,323,114.46
28	Exchange Program Forgivable Loans	0	\$ -	\$ -	\$ -	\$ -	\$ 92,869,859.00
31	Guaranteed ED	1	\$ -	\$ -	\$ 153,001.47	\$ 1,678,628.11	\$ 55,374,850.07
35	Arkansas Department of Correction	0	\$ -	\$ -	\$ -	\$ -	\$ 5,477,475.59
49	Assisted Living Revolving Fund (ALIF)	0	\$ -	\$ -	\$ -	\$ -	\$ 756,376.23
50	CDBG	0	\$ -	\$ -	\$ -	\$ -	\$ 7,700,000.00
52	PRLF	0	\$ -	\$ -	\$ -	\$ -	\$ 2,337,273.66
65	SSBCI	4	\$ -	\$ -	\$ 293,619.98	\$ 1,523,568.72	\$ 3,872,963.69
70	Settlement Funds Repayable Loans (SH)	2	\$ -	\$ 617.80	\$ 1,186.35	\$ 84,521.74	\$ 4,659,377.74
81	FAF/BMIR	23	\$ 733.98	\$ 1,559.52	\$ 168,165.68	\$ 898,838.41	\$ 7,372,587.83
81	CTC (College Tech)	0	\$ -	\$ -	\$ -	\$ -	\$ 5,918,491.18
81	DPA (Repurchased)	5	\$ -	\$ -	\$ 9,685.65	\$ 7,948.04	\$ 13,449.97
81	Habitat for Humanity	0	\$ -	\$ -	\$ -	\$ -	\$ 197,619.39
81	Project Fund (Direct Loans)**	1	\$ 551.82	\$ -	\$ -	\$ 57,731.99	\$ 5,370,755.36
81	RECDS	0	\$ -	\$ -	\$ -	\$ -	\$ 26,769.42
81	Tourism Reserve Fund	0	\$ -	\$ -	\$ -	\$ -	\$ 168,302.27
83	Bond Guaranty Fund	0	\$ -	\$ -	\$ -	\$ -	\$ 2,730,277.85
84	HOME	95	\$ 9,831.36	\$ 16,154.07	\$ 548,512.22	\$ 8,946,685.50	\$ 108,188,462.26
95	Neighborhood Stabilization (NSP)	0	\$ -	\$ -	\$ -	\$ -	\$ 15,027,020.35
96	Neighborhood Stabilization (NSP)III	0	\$ -	\$ -	\$ -	\$ -	\$ 4,723,611.12
TOTAL		131	\$ 11,117	\$ 18,331	\$ 1,174,171	\$ 13,197,923	\$ 343,320,172

DELINQUENT LOAN BALANCES

	30 Days	60 Days	90 or More	Total Delinquent	Program Balance
Master Servicing *	5	\$ 34.58	\$ -	\$ 25,421.25	\$ 25,455.83

OTHER REAL ESTATE OWNED

Program	Property Name	Value
HOME	EARNESTINE JACKSON	17,500
HOME	RAYMOND ADAMS	20,783
HOME	WILLIE EARL KING	26,157
HOME	ESTATE OF JULIA WALKER	29,085
HOME	LOTS 12, 13 AND 81 WESTCHESTER VILLAGE, PINE BLUFF	21,000
ECONOMIC DEVELOPMENT	H&L POULTRY/OZARK MOUNTAIN POULTRY	1,468,471
NSP	3 REED PROPERTIES	3
		\$ 1,583,000

FINANCED SALES OF REO

ECONOMIC DEVELOPMENT	Bradley Lumber/Ouachita Hardwood Lease	372,000
ECONOMIC DEVELOPMENT	PBS Lumber/Victory Lumber Lease	504,358
		\$ 876,358

INSUBSTANCE FORECLOSURES

PROJECT FUND (DIRECT LOAN)	Norphlet Chemical	1
		\$ 1

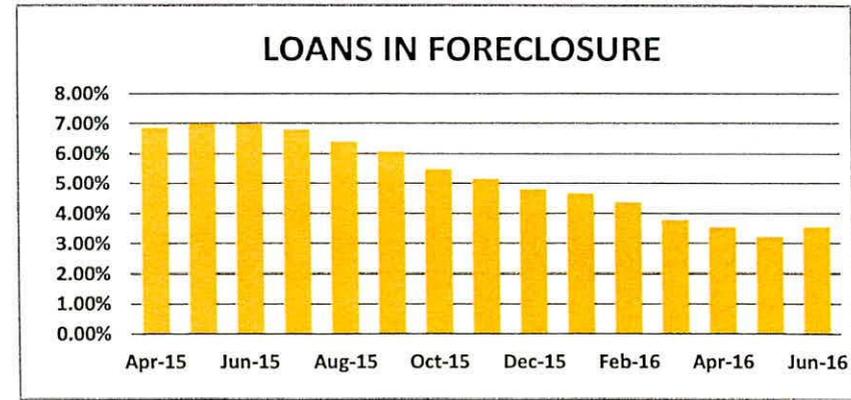
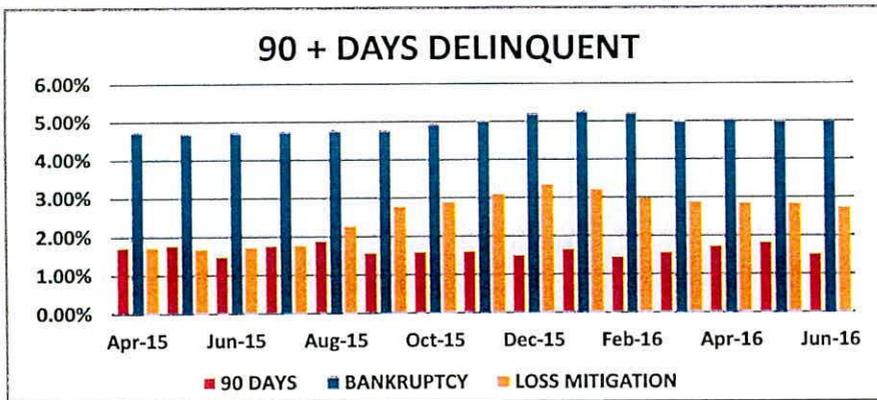
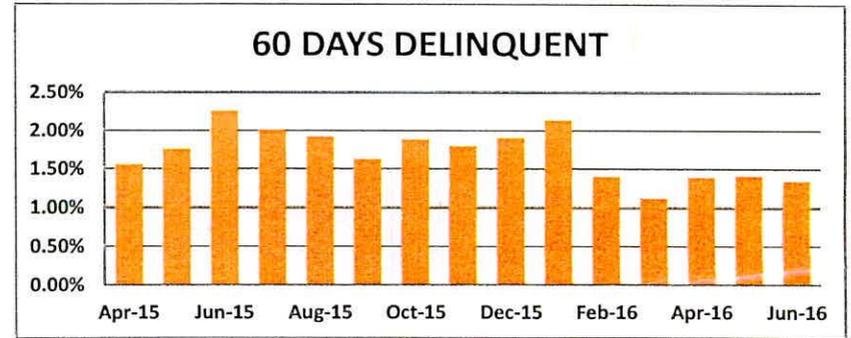
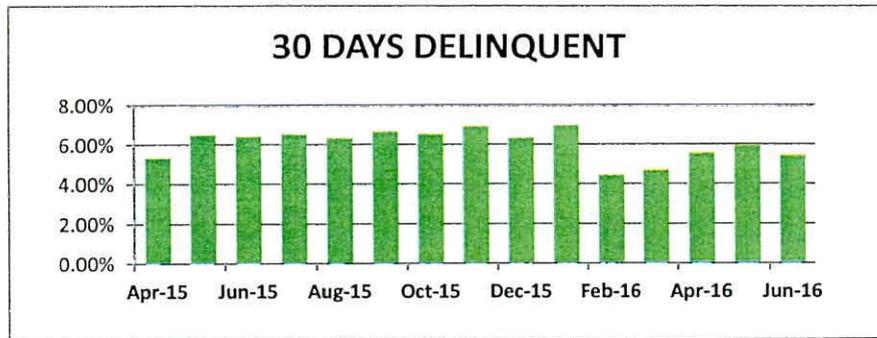
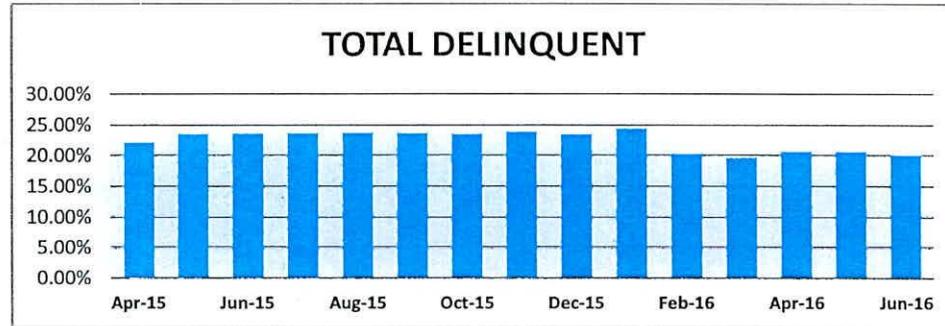
*Primarily Single Family Whole Loans

**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 JUNE 2016

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



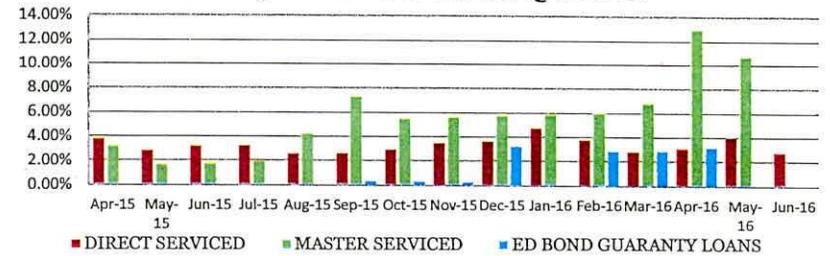
DELINQUENCY REPORT PRESENTED TO THE BOARD OF DIRECTORS FOR JUNE 2016
DIRECT SERVICED - MASTER SERVICED - ECONOMIC DEVELOPMENT GUARANTY LOANS
DELINQUENCY REPORT (AS A PERCENT OF TOTAL LOAN BALANCES)

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.

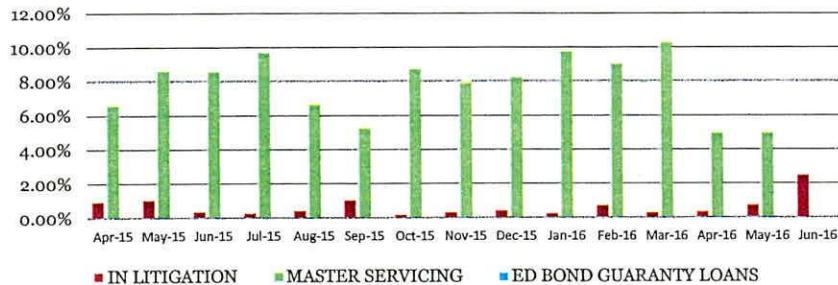
60 DAYS DELINQUENT



90 DAYS DELINQUENT



LOANS IN LITIGATION



SPECIAL REPAYMENT PLANS

