



ANNUAL REPORT

OF PROGRAM ACTIVITY - JULY 1, 2023 - JUNE 30, 2024



FY 2024

CATEGORIES

SECTION

01. INTRODUCTION	3
LENDING PROGRAMS.....	4
02. SINGLE FAMILY HOMEOWNERSHIP	5
• MOVE-UP FIRST MORTGAGE - 6	
• STARTSMART FIRST MORTGAGE - 8	
• DOWN PAYMENT ASSISTANCE (DPA) LOANS - 9	
03. MULTI-FAMILY HOUSING PROGRAMS	11
• LOW-INCOME HOUSING TAX CREDITS (LIHTCs) - 12	
• HOME & NATIONAL HOUSING TRUST FUND PROGRAMS - 13	
04. DEVELOPMENT FINANCE	14
• ADFA BOND GUARANTY PROGRAM - 14	
• CAPITAL ACCESS PROGRAM - 15	
• VENTURE CAPITAL - 16	
05. PUBLIC FINANCE	17
• ADFA BOND ISSUES & CONDUIT BOND ISSUES - 20	
06. STUDENT LOAN AUTHORITY	18
NON-LENDING PROGRAMS.....	21
07.	
• AFFORDABLE HOUSING COMPLIANCE MONITORING REVIEW - 22	
• ADFA BOND INDEBTEDNESS SUMMARIZED AS OF 6/30/2024 - 23	
AMERICAN RESCUE PLAN (ARP) PROGRAMS.....	24
08.	
• HOME-ARP - 25-28	
• STATE SMALL BUSINESS CREDIT INITIATIVE (SSBCI 2.0) - 29	



Established in 1985, the Arkansas Development Finance Authority (ADFA) serves as the successor to the Arkansas Housing Development Agency, originally created in 1977. As a public body politic and corporate, ADFA is authorized to borrow funds and issue bonds, providing crucial financing for affordable housing initiatives, diverse business and economic development projects, and capital improvements for state agencies. Effective July 1, 2017, the Arkansas Student Loan Authority (ASLA) merged with ADFA, and both entities are self-funded primarily through investment and loan earnings, in addition to federal funds. As the exclusive issuer of bonds for state agencies, ADFA plays a vital role in supporting Arkansas's growth.

ADFA, including ASLA, is governed by a 14-member board of directors comprising the Director of the Department of Finance and Administration, the State Treasurer, eleven public members appointed by the Governor, and the President of the Authority (non-voting). Together, they work to support ADFA's mission of promoting economic growth in Arkansas by offering financial backing for various programs, including affordable housing, industrial and economic development, capital improvements for state agencies and local governments, healthcare, and higher education funding. The board members represent a broad range of expertise and interests from all geographic regions of the state, ensuring a well-rounded and diverse approach to driving the state's economy forward.

LENDING PROGRAMS

The FY2024 Annual Report of Program Activity organizes the work of the Arkansas Development Finance Authority into three categories:

- **Lending Programs** - Activities include Single Family Homeownership, Multi-Family Housing, Development Finance, Public Finance, and Student Loans.
- **Non-Lending Programs** - Activities include College Planning Services, Housing Compliance Monitoring, and Bond Issuances.
- **American Rescue Plan (ARP) Programs** - ADFA, on behalf of the State of Arkansas, administers two American Rescue Plan-funded programs: HOME-ARP, and the State Small Business Credit Initiative (SSBCI).

SECTION 2 - SINGLE FAMILY HOMEOWNERSHIP

HOMEOWNERSHIP

ADFA Homeownership and Down Payment Assistance Programs make purchasing a home more affordable for low-to-moderate income families and individuals. These programs greatly reduce the out-of-pocket expense to the buyer.

Participating lenders originate, process, and close all ADFA mortgage loans.

- **Single Family First Mortgage Program**
 - **StartSmart First Time Homebuyer Program** - a below market rate 30-year mortgage for low-to-moderate income first-time homebuyers.
 - **Move-Up Program** - an affordable 30-year fixed rate mortgage.
- **Single Family Second Mortgage Programs**
 - **Down Payment Assistance (DPA) Program** - a 10-year second mortgage for up to \$15,000 for down payment and closing cost assistance.
- FY 2024 Single Family Move-Up Program Loans by County - Sorted A-Z
 - *1,319 loans totaling \$238,266,402.36*
- FY 2024 Single Family StartSmart Program Loans by County - Sorted A-Z
 - *31 loans totaling \$5,540,205*
- FY 2024 Down Payment Assistance Loans by County - Sorted A-Z
 - *1249 loans totaling \$13,081.673*

MOVE-UP FIRST MORTGAGE LOANS BY COUNTY

PROGRAM TYPE	LOAN AMOUNT	COUNTY	# OF LOANS
ADFA Move-Up	\$671,945.00	Arkansas	4
ADFA Move-Up	\$492,982.00	Ashley	5
ADFA Move-Up	\$749,217.00	Baxter	5
ADFA Move-Up	\$24,769,167.00	Benton	94
ADFA Move-Up	\$1,174,808.00	Boone	8
ADFA Move-Up	\$727,596.00	Bradley	4
ADFA Move-Up	\$165,938.00	Calhoun	1
ADFA Move-Up	\$786,007.00	Carroll	5
ADFA Move-Up	\$2,523,948.00	Clark	17
ADFA Move-Up	\$1,001,863.00	Clay	10
ADFA Move-Up	\$1,511,782.00	Cleburne	9
ADFA Move-Up	\$121,754.00	Cleveland	1
ADFA Move-Up	\$809,813.00	Columbia	5
ADFA Move-Up	\$391,905.00	Conway	3
ADFA Move-Up	\$13,123,689.00	Craighead	72
ADFA Move-Up	\$5,486,119.00	Crawford	31
ADFA Move-Up	\$8,745,873.00	Crittenden	50
ADFA Move-Up	\$996,122.00	Cross	6

PROGRAM TYPE	LOAN AMOUNT	COUNTY	# OF LOANS
ADFA Move-Up	\$53,164.00	Dallas	1
ADFA Move-Up	\$460,504.00	Desha	3
ADFA Move-Up	\$1,309,802.00	Drew	7
ADFA Move-Up	\$17,725,323.00	Faulkner	89
ADFA Move-Up	\$869,949.00	Franklin	5
ADFA Move-Up	\$257,267.00	Fulton	3
ADFA Move-Up	\$5,063,261.00	Garland	30
ADFA Move-Up	\$1,531,716.00	Grant	9
ADFA Move-Up	\$4,431,359.00	Greene	25
ADFA Move-Up	\$399,736.00	Hempstead	3
ADFA Move-Up	\$2,097,323.00	Hot Spring	13
ADFA Move-Up	\$470,323.00	Howard	2
ADFA Move-Up	\$2,482,751.00	Independence	16
ADFA Move-Up	\$395,699.00	Izard	2
ADFA Move-Up	\$476,263.00	Jackson	3
ADFA Move-Up	\$3,629,271.00	Jefferson	24
ADFA Move-Up	\$436,939.00	Johnson	3
ADFA Move-Up	\$164,465.00	Lafayette	1

MOVE-UP FIRST MORTGAGE LOANS BY COUNTY

PROGRAM TYPE	LOAN AMOUNT	COUNTY	# OF LOANS
ADFA Move-Up	\$659,187.00	Lawrence	6
ADFA Move-Up	\$88,369.00	Lee	1
ADFA Move-Up	\$174,430.00	Lincoln	2
ADFA Move-Up	\$427,538.00	Little River	3
ADFA Move-Up	\$471,363.00	Logan	4
ADFA Move-Up	\$10,424,801.00	Lonoke	59
ADFA Move-Up	\$647,632.00	Madison	3
ADFA Move-Up	\$319,172.00	Marion	3
ADFA Move-Up	\$3,089,638.00	Miller	20
ADFA Move-Up	\$4,210,610.00	Mississippi	28
ADFA Move-Up	\$177,425.00	Monroe	2
ADFA Move-Up	\$229,900.00	Montgomery	1
ADFA Move-Up	\$57,841.00	Nevada	1
ADFA Move-Up	\$2,146,772.00	Ouachita	14
ADFA Move-Up	\$122,735.00	Phillips	1
ADFA Move-Up	\$1,609,523.00	Poinsett	11
ADFA Move-Up	\$613,677.00	Polk	4

PROGRAM TYPE	LOAN AMOUNT	COUNTY	# OF LOANS
ADFA Move-Up	\$4,917,355.00	Pope	32
ADFA Move-Up	\$216,194.00	Prairie	2
ADFA Move-Up	\$39,308,823.38	Pulaski	225
ADFA Move-Up	\$981,656.00	Randolph	6
ADFA Move-Up	\$20,868,064.00	Saline	106
ADFA Move-Up	\$351,514.00	Scott	3
ADFA Move-Up	\$236,634.00	Searcy	2
ADFA Move-Up	\$10,031,501.00	Sebastian	63
ADFA Move-Up	\$541,069.00	Sevier	4
ADFA Move-Up	\$873,467.00	Sharp	6
ADFA Move-Up	\$1,093,771.00	St Francis	7
ADFA Move-Up	\$936,162.00	Union	7
ADFA Move-Up	\$1,100,020.00	Van Buren	8
ADFA Move-Up	\$18,426,119.00	Washington	71
ADFA Move-Up	\$5,372,590.00	White	32
ADFA Move-Up	\$332,185.00	Woodruff	3
ADFA Move-Up	\$1,430,618.00	Yell	10

STARTSMART FIRST TIME HOMEBUYER FIRST MORTGAGE

PROGRAM TYPE	LOAN_AMOUNT	COUNTY	# OF LOANS
<i>StartSmart Program</i>	<i>\$244,980.00</i>	<i>Benton</i>	<i>1</i>
<i>StartSmart Program</i>	<i>\$468,309.00</i>	<i>Craighead</i>	<i>3</i>
<i>StartSmart Program</i>	<i>\$716,528.00</i>	<i>Crawford</i>	<i>4</i>
<i>StartSmart Program</i>	<i>\$168,884.00</i>	<i>Crittenden</i>	<i>1</i>
<i>StartSmart Program</i>	<i>\$206,196.00</i>	<i>Faulkner</i>	<i>1</i>
<i>StartSmart Program</i>	<i>\$157,102.00</i>	<i>Franklin</i>	<i>1</i>
<i>StartSmart Program</i>	<i>\$181,649.00</i>	<i>Garland</i>	<i>1</i>
<i>StartSmart Program</i>	<i>\$289,557.00</i>	<i>Grant</i>	<i>2</i>
<i>StartSmart Program</i>	<i>\$117,924.00</i>	<i>Jefferson</i>	<i>1</i>
<i>StartSmart Program</i>	<i>\$263,000.00</i>	<i>Madison</i>	<i>1</i>
<i>StartSmart Program</i>	<i>\$140,409.00</i>	<i>Miller</i>	<i>1</i>
<i>StartSmart Program</i>	<i>\$224,852.00</i>	<i>Poinsett</i>	<i>1</i>
<i>StartSmart Program</i>	<i>\$927,194.00</i>	<i>Pulaski</i>	<i>5</i>
<i>StartSmart Program</i>	<i>\$376,724.00</i>	<i>Saline</i>	<i>2</i>
<i>StartSmart Program</i>	<i>\$127,546.00</i>	<i>Sebastian</i>	<i>1</i>
<i>StartSmart Program</i>	<i>\$117,826.00</i>	<i>Van Buren</i>	<i>1</i>
<i>StartSmart Program</i>	<i>\$506,850.00</i>	<i>Washington</i>	<i>2</i>
<i>StartSmart Program</i>	<i>\$304,675.00</i>	<i>White</i>	<i>2</i>

DOWN PAYMENT ASSISTANCE LOANS BY COUNTY

PROGRAM	LOAN_AMOUNT	COUNTY	# OF LOANS
DPA	\$32,444.00	Arkansas	4
DPA	\$33,161.00	Ashley	5
DPA	\$51,745.00	Baxter	5
DPA	\$1,082,873.00	Benton	84
DPA	\$49,001.00	Boone	6
DPA	\$39,051.00	Bradley	3
DPA	\$14,365.00	Calhoun	1
DPA	\$49,572.00	Carroll	5
DPA	\$116,991.00	Clark	12
DPA	\$59,955.00	Clay	10
DPA	\$87,544.00	Cleburne	9
DPA	\$4,340.00	Cleveland	1
DPA	\$51,900.00	Columbia	5
DPA	\$21,631.00	Conway	3
DPA	\$615,495.00	Craighead	69
DPA	\$332,439.00	Crawford	34
DPA	\$510,189.00	Crittenden	49

PROGRAM	LOAN_AMOUNT	COUNTY	# OF LOANS
DPA	\$61,275.00	Cross	6
DPA	\$7,600.00	Dallas	1
DPA	\$18,865.00	Desha	2
DPA	\$67,500.00	Drew	6
DPA	\$942,344.00	Faulkner	80
DPA	\$57,104.00	Franklin	6
DPA	\$7,650.00	Fulton	2
DPA	\$341,429.00	Garland	29
DPA	\$104,343.00	Grant	11
DPA	\$216,939.00	Greene	25
DPA	\$25,777.00	Hempstead	3
DPA	\$101,568.00	Hot Spring	11
DPA	\$22,475.00	Howard	2
DPA	\$125,654.00	Independence	14
DPA	\$22,900.00	Izard	2
DPA	\$24,164.00	Jackson	3
DPA	\$237,054.00	Jefferson	24

DOWN PAYMENT ASSISTANCE LOANS BY COUNTY

PROGRAM	LOAN AMOUNT	COUNTY	# OF LOANS
DPA	\$36,000.00	Johnson	3
DPA	\$13,500.00	Lafayette	1
DPA	\$47,627.00	Lawrence	6
DPA	\$4,790.00	Lee	1
DPA	\$18,600.00	Lincoln	2
DPA	\$35,510.00	Little River	3
DPA	\$29,618.00	Logan	4
DPA	\$610,022.00	Lonoke	57
DPA	\$22,800.00	Madison	2
DPA	\$11,767.00	Marion	3
DPA	\$179,865.00	Miller	20
DPA	\$215,395.00	Mississippi	27
DPA	\$8,995.00	Monroe	2
DPA	\$7,000.00	Nevada	1
DPA	\$107,875.00	Ouachita	10
DPA	\$12,620.00	Phillips	1
DPA	\$95,813.00	Poinsett	11
DPA	\$42,850.00	Polk	4

PROGRAM	LOAN AMOUNT	COUNTY	# OF LOANS
DPA	\$315,677.00	Pope	32
DPA	\$12,737.00	Prairie	2
DPA	\$2,222,630.00	Pulaski	208
DPA	\$43,650.00	Randolph	5
DPA	\$1,229,574.00	Saline	102
DPA	\$14,175.00	Scott	3
DPA	\$21,792.00	Searcy	2
DPA	\$614,261.00	Sebastian	60
DPA	\$27,850.00	Sevier	4
DPA	\$62,502.00	Sharp	6
DPA	\$49,845.00	St Francis	7
DPA	\$56,200.00	Union	7
DPA	\$71,315.00	Van Buren	9
DPA	\$858,620.00	Washington	68
DPA	\$323,743.00	White	32
DPA	\$19,200.00	Woodruff	2
DPA	\$99,918.00	Yell	10

SECTION 3 - MULTI-FAMILY HOUSING ACTIVITY FY 2024

The Low Income Housing Tax Credit (LIHTC) Program, HOME Investment Partnerships Program (HOME), and National Housing Trust Fund (NHTF) collectively help to finance affordable multi-family housing in Arkansas by offering complementary resources. Through the HOME and NHTF Programs, ADFA provides gap financing to developers for a wide range of affordable housing activities for lower-income households. The LIHTC program incentivizes private developers to develop affordable housing by monetizing tax credits to private investors. Projects often combine these funding sources -- with developers using LIHTC to attract private investment and using HOME and NHTF funds to support construction, rehabilitation, and affordability efforts. This collaboration enhances financial viability, allowing for a more comprehensive approach to addressing the diverse housing needs of low-income individuals and families in Arkansas.

LOW INCOME HOUSING TAX CREDIT (LIHTC) PROGRAM 9%

Each year, Arkansas receives an allocation of “9% credits” from the Internal Revenue Service to award to developers for the construction and acquisition/rehabilitation of affordable housing units in the state. As the demand for these credits consistently outpaces the supply, ADFA awards them through a competitive process open to applicants statewide. In FY2024 ADFA allocated \$10,583,500 of 9% LIHTC to 10 applicants to construct 585 units of affordable housing and \$506,000 of 9% LIHTC to 2 applicants to acquire/rehabilitate 40 units of affordable housing. The LIHTC are taken over ten years. ADFA’s total FY2024 LIHTC funding was \$110,890,000

LOW INCOME HOUSING TAX CREDIT (LIHTC) PROGRAM 4%

In FY 2024, ADFA issued multi-family bonds totaling \$15,125,000 to support the construction of 60 units in Pulaski County, generating LIHTC known as “4% credits”. These credits are linked to tax-exempt private activity municipal bonds and are expected to yield over \$1.4 million in 4% LIHTC annually for 10 years for a total of \$14 million of financing for the projects. While there is no direct annual limit on 4% LIHTC allocations, they are tied to the issuance of tax-exempt bonds, utilizing part of the state’s annual private-activity bond volume cap allocation.

LOW INCOME HOUSING TAX CREDIT PROGRAM (continued on page 12)



Allocation 2024

\$8,896,422	*9% LIHTC 2024 State Allocation
\$1,103,820	2023 9% LIHTC Carryforward
<u>\$1,728,026</u>	Prior Years Returned Credits
\$11,728,268	State 2024 Total for Allocation

*state population 3,067,732 multiplied times 2.90 per capita = 8,896,422
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<u>Development Name</u>	<u>County</u>	<u>LIHTC</u>	
McAuley Place Apartments Phase II	Benton	\$1,080,000	
Northgate Apartments	Saline	\$276,000	
Parkview Manor Apartments	Sharp	\$230,000	
Southeast Estates	Jefferson	\$1,078,000	
Southeast Estates Senior Cottages	Jefferson	\$1,050,000	
Southern Heights	Saline	\$937,500	
Town Green	Benton	\$1,078,000	
Town Green Senior	Benton	\$1,050,000	
Harrison Estates	Boone	\$1,080,000	
Harrison Estates Senior Housing	Boone	\$1,050,000	
Walnut Commons	Benton	\$1,080,000	
The Bluffs at Shackelford	Pulaski	<u>\$1,100,000</u>	
		\$11,089,500	Total Allocated*
		\$638,768	Carryforward to 2025

**Taken over 10 years for a total of \$110,890,000 in funding for FY2024 affordable housing developments.*

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME PROGRAM) & NATIONAL HOUSING TRUST FUND (NHTF)

The **HOME Investment Partnerships Program** and the **National Housing Trust Fund** collaborate to address the housing needs of low- and extremely low-income Arkansans by providing critical funding and resources. These programs support a range of activities, including new construction, rehabilitation, and rental assistance, ensuring access to safe, decent, and affordable housing across the state.

FEDERAL HOUSING PROGRAMS - HOME/NHTF									
DEVELOPMENT NAME	COUNTY	CONG. DISTRICT	PROJECT TYPE	LIHTC YR	TOTAL UNITS	HOME UNITS	NHTF UNITS	HOME FUNDING	NHTF FUNDING
Loraine Park of Lowell	Benton	3rd	Multifamily New Construction	2023	60	9	9	\$1,500,000	\$1,500,000
McAuley Place Apartments	Benton	3rd	Multifamily New Construction	2023	60	11		\$1,980,000	
Sager Creek Crossing II	Benton	3rd	Multifamily New Construction	2023	40	10		\$1,515,000	
Spavinaw Creek Senior Housing	Benton	3rd	Multifamily New Construction	2023	40	9		\$1,560,000	
Stone Ridge at Springdale Ph II	Washington	1st	Multifamily New Construction	2023	72	11		\$1,900,000	
The Vineyards at Cabot Ph II	Lonoke	1st	Multifamily New Construction	2023	48	8		\$1,320,000	
The Vineyards at Little Rock	Pulaski	2nd	Multifamily New Construction	2023	72	11		\$1,876,000	
Fair Oaks Apartments- 4%	Pulaski	2nd	Acquisition/Rehabilitation	2023	100	19	19	\$2,000,000	\$2,000,000
The Vineyards at Monticello II- Revision Request	Drew	4th	Multifamily New Construction	2023	72	6		\$900,000	
The Peaks at Springdale III- Revision Request	Washington	3rd	Multifamily New Construction	2023	72	11	4	\$1,925,000	\$605,000
The Vineyards at Cabot- Revision Request	Lonoke	1st	Multifamily New Construction	2023	72	11	3	\$1,840,000	\$425,000
Meadowbrook at Cabot - Revision Request	Lonoke	1st	Multifamily New Construction	2023	64	11		\$1,470,000	
					772	127	35	\$19,786,000	\$4,530,000

SECTION 4 - DEVELOPMENT FINANCE

Part 1: Development Finance includes the **ADFA Bond Guaranty Program**, **Capital Access Program (CAP)**, and **Other Municipal Guaranteed Revenue Bonds**.

Part 2: ADFA administers the programs of the **Arkansas Venture Capital Investment Trust (AVCIT)**. The AVCIT was created pursuant to the provisions of the laws of the State of Arkansas, including Title 28, Chapter 72, Subchapter 2 of the Arkansas Code of 1987 Annotated. In accordance with legislation for FY 2020, the operations of the AVCIT were streamlined and simplified from five (5) funds to three (3) funds and ADFA now administers the **Arkansas Institutional Fund (AIF)**, the **Arkansas Venture Development Fund (AVDF)**, and the **Arkansas Venture Capital Development Fund (AVCDF)** for the AVCIT.

ADFA BOND GUARANTY PROGRAM

An ADFA bond guaranty improves a company's credit worthiness to make bonds marketable nationwide.

ADFA GUARANTEED REVENUE BONDS - FY 2024

Congressional District / County / City	Guarantees	Guarantee Amount
ADFA Bond Guaranty Program	0	\$0



CAPITAL ACCESS PROGRAM (CAP) FY 2024

The ADFA Capital Access Program makes funds available to borrowers who might otherwise have difficulty in obtaining conventional bank loans.

ADFA, as administrator, is not a party to loan transactions and plays no role in underwriting, approving, or servicing the loans. ADFA's purely administrative role reduces paperwork while at the same time assuring risk-taking by lenders.

The Capital Access Program has been a lending incentive for working capital loans for several types of industry within the state, including agriculture, manufacturing, wholesale/retail, construction, and service.

CAP ACCESS PROGRAM - FY 2024			
Congressional District	County	Loans	Loan Insurance Amount
1	Arkansas	1	\$28,800.00
	Baxter	1	\$50,000.00
	Craighead	3	\$48,000.00
	Lonoke	1	\$50,000.00
	Mississippi	1	\$25,000.00
	St. Francis	1	\$27,000.00
District 1 Totals		8	\$228,800.00
Congressional District	County	Loans	Loan Insurance Amount
2	Faulkner	4	\$32,000.00
	Pulaski	16	\$459,000.00
	Saline	2	\$34,320.00
District 2 Totals		22	\$525,320.00

Congressional District	County	Loans	Loan Insurance Amount
3	Benton	10	\$205,734.00
	Madison	4	\$118,700.00
	Sebastian	1	\$34,000.00
	Washington	13	\$386,000.00
District 3 Totals		28	\$744,434.00
Congressional District	County	Loans	Loan Insurance Amount
4	Ashley	1	\$20,000.00
	Calhoun	1	\$10,000.00
	Drew	1	\$50,000.00
	Garland	3	\$90,000.00
	Jefferson	2	\$50,000.00
	Miller	1	\$41,116.00
	Newton	1	\$25,000.00
	Ouachita	1	\$12,000.00
	Pope	1	\$4,622.00
	Union	4	\$110,600.00
District 4 Totals		16	\$413,338.00
Fiscal Year 2024 Totals		74	\$1,911,892.00

VENTURE CAPITAL - FY 2024

Part 2: ADFA administers the programs of the **Arkansas Venture Capital Investment Trust (AVCIT)**. The AVCIT was created pursuant to the provisions of the laws of the State of Arkansas, including Title 28, Chapter 72, Subchapter 2 of the Arkansas Code of 1987 Annotated. In accordance with legislation for FY 2020, the operations of the AVCIT were streamlined and simplified from five (5) funds to three (3) funds and ADFA now administers the **Arkansas Institutional Fund (AIF)**, the **Arkansas Venture Development Fund (AVDF)**, and the **Arkansas Venture Capital Development Fund (AVCDF)** for the AVCIT.

Arkansas Venture Capital Investment Trust / ADFA Venture Capital Programs						
To date the AVCIT programs have made investments totaling \$32,952,195 in Arkansas. The specific investment activity in the State of Arkansas for these programs during FY2024 is outlined in the chart below.						
District	County	New Investments funded during the year		Other Activity		
		Number of Investments	Total Funded	Distributions Received	Write Downs	
1	Craighead	1	\$400,000	0	0	
Congressional District 1 Total			\$400,000	0	0	
2	Pulaski		0	0	0	
Congressional District 2 Total			0	0	0	
3	Benton		0	\$2,119	0	
3	Washington	2	\$3,998,495	0		
Congressional District 3 Total			\$3,998,495	\$2,119	0	
4	Columbia		0	0	0	
Congressional District 4 Total			0	0	0	
			\$4,398,495	\$2,119	0	

SECTION 5 - PUBLIC FINANCE

ADFA is a public body politic and corporate, created in 1985 as successor to the Arkansas Housing Development Agency created in 1977. ADFA's enabling legislation authorizes it to borrow money and issue bonds to provide sufficient funding for financing affordable housing, various business and economic development projects, and capital improvements for state agencies. ADFA is the exclusive issuer of bonds for state agencies.

ADFA BOND ISSUES						
ADFA Bond Issues and Conduit Bond Issues for FY 2024						
Fiscal Year	Official Name of Bond Issue	Description of Use of Debt Proceeds	Original Obligation \$	Original Interest Rate	Issuance Date	Type of Issuance
2024	2024 Series A & B SFMRB	Single family housing	50,000,000.00	3.4/5.0	05/15/2024	Original
2024	2023 Fair Oaks Apartments	Multifamily housing	9,000,000.00	3.55	12/19/2023	Original
2024	2023 A & B Hybar Steel	Loan to finance new project	330,000,000.00	6.875/12	07/31/2023	Original
2024	2023 Revolving Loan Fund Bond	Fund loans for two State RLF programs	109,235,000.00	5	08/30/2023	Original

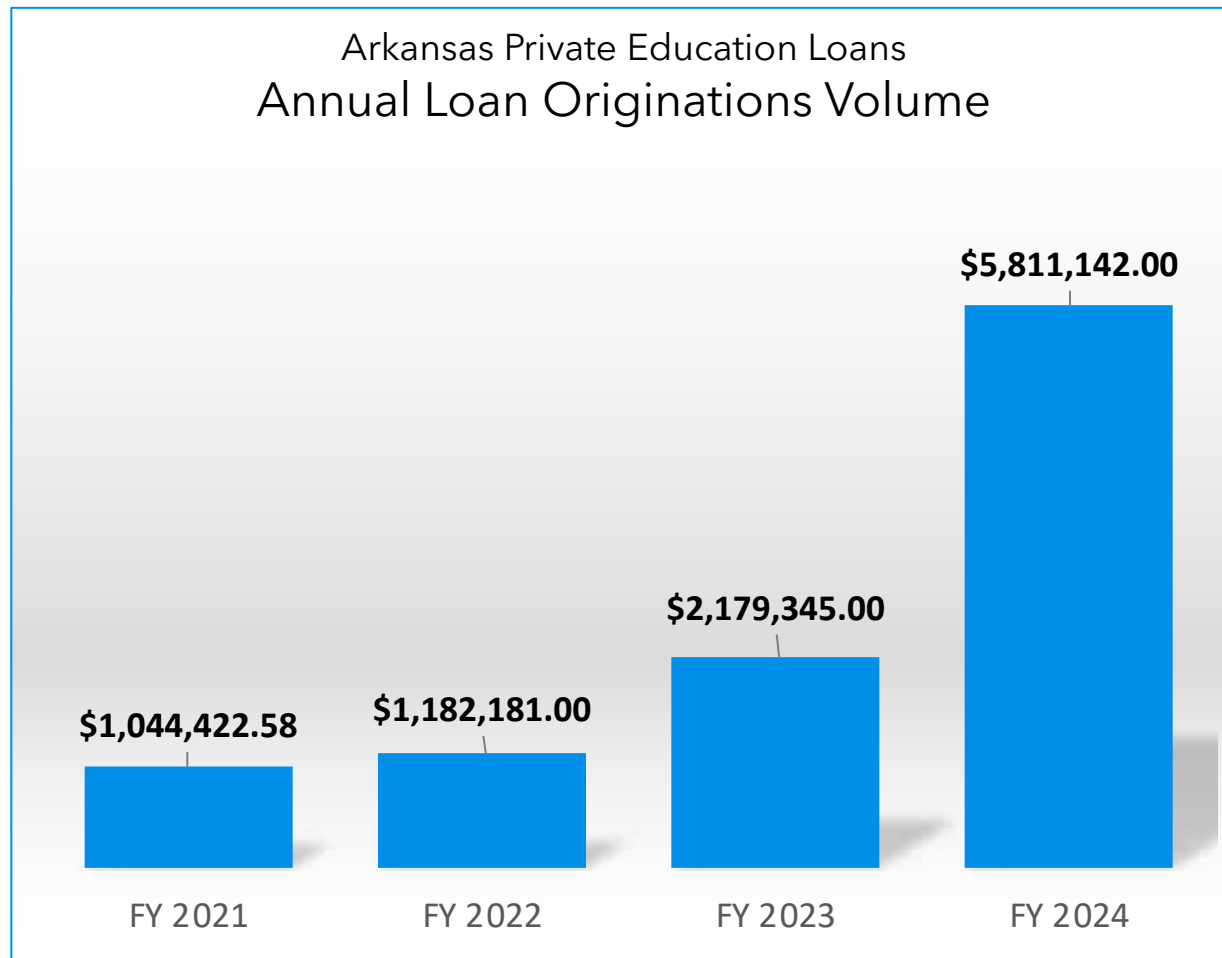


SECTION 6 - STUDENT LOAN AUTHORITY



Private Student Loan Volume - Fiscal Year 2024

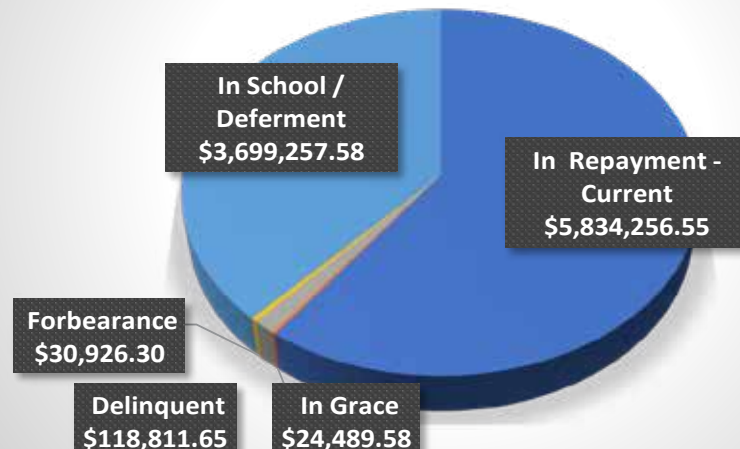
ASLA's private student loan volume in Fiscal Year 2024 increased 166% over Fiscal Year 2023 with loan volume reaching \$5.8 million. Loan volume is expected to be in the range of \$10 million to \$12 million in Fiscal Year 2025.

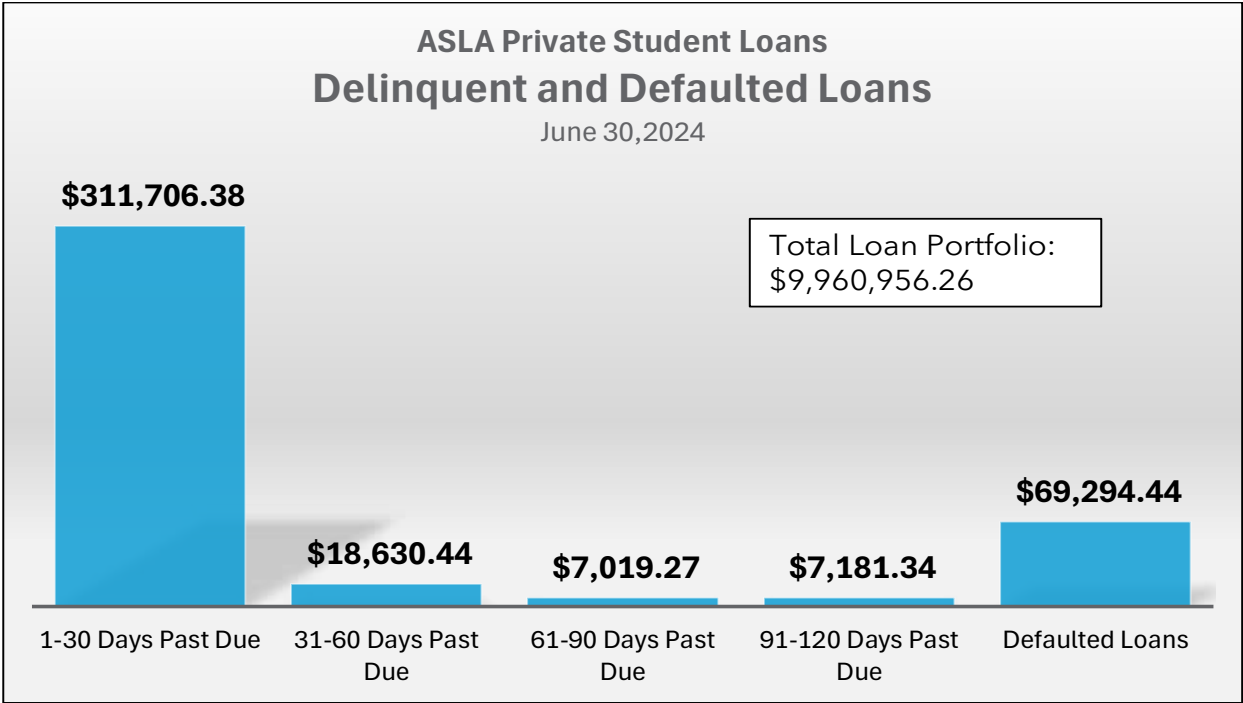
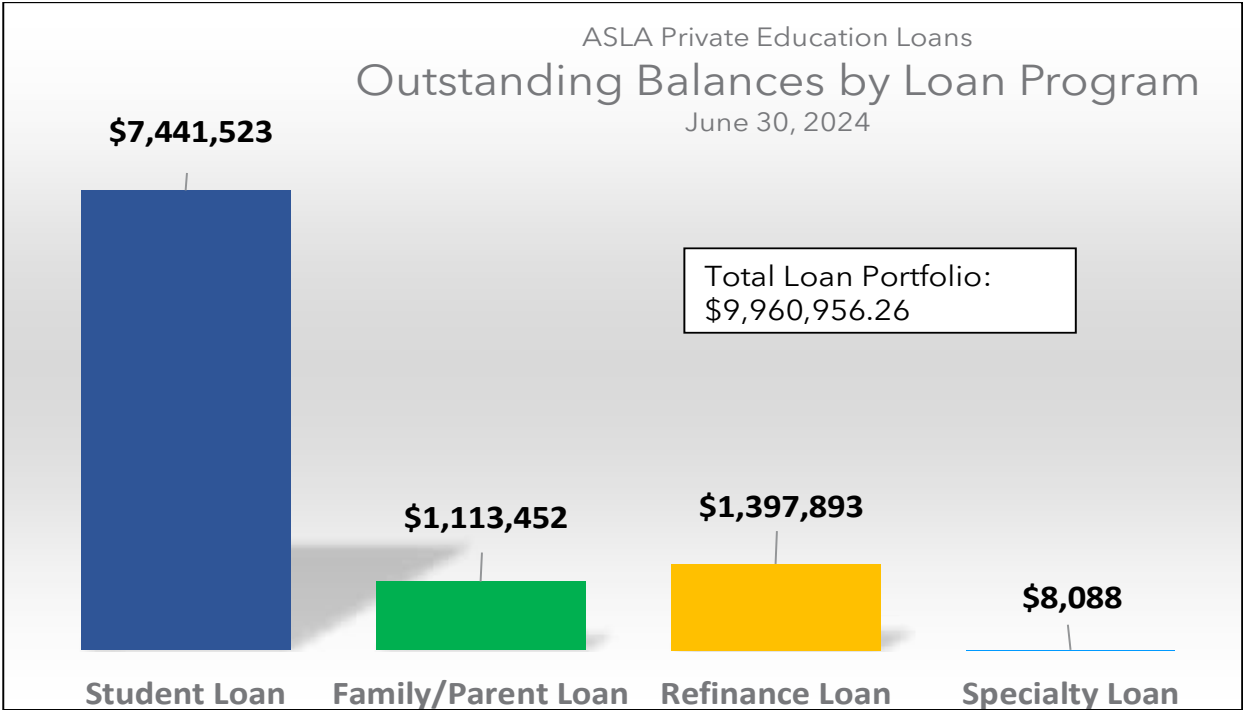


Private Student Loan Portfolio Status Report

Portfolio Characteristics - Month Ending June 2024				
	# of Loans	Principal	Interest	Total
Repayment - Current	476	\$ 5,834,256.55	\$ 17,331.23	\$ 5,851,587.78
In Grace	2	\$ 24,489.58	\$ 31.41	\$ 24,520.99
Delinquent	16	\$ 118,811.65	\$ 4,355.00	\$ 123,166.65
Forbearance	5	\$ 30,926.30	\$ 2,751.15	\$ 33,677.45
Deferment	347	\$ 3,699,257.58	\$ 228,745.81	\$ 3,928,003.39
TOTAL	846	\$ 9,707,741.66	\$ 253,214.60	\$ 9,960,956.26
Interest Rate Breakdown				
	# of Loans	Principal	Interest	Total
Fixed Interest Rate	825	\$ 9,538,147.73	\$ 245,965.08	
Variable Interest Rate	21	\$ 169,593.93	\$ 7,249.52	
	846	\$ 9,707,741.66	\$ 253,214.60	\$ 9,960,956.26
Delinquency Rate:	3.36%	16/476 (Delinquent # Loans / Total # Loans in Repayment)		

ASLA Education Loan Portfolio Portfolio Characteristics-June 30, 2024





NON-LENDING PROGRAMS

The FY2023 Annual Report of Program Activity organizes the work of the Arkansas Development Finance Authority into three categories:

- **Lending Programs** - Activities include Single Family Homeownership, Multi-Family Housing, Development Finance, Public Finance, and Student Loans.
- **Non-Lending Programs** - *Activities include College Planning Services, Housing Compliance Monitoring, and Bond Issuances.*
- **American Rescue Plan (ARP) Programs** - ADFA, on behalf of the State of Arkansas, administers two American Rescue Plan-funded programs: HOME-ARP, and the State Small Business Credit Initiative (SSBCI).

SECTION 7 - NON-LENDING PROGRAMS

AFFORDABLE HOUSING COMPLIANCE REVIEWS BY COUNTY

The ADFA Compliance Department is responsible for federal compliance monitoring of new construction and acquisition rehabilitation of multi-family and single-family rental developments. We monitor the Low-Income Housing Tax Credit (LIHTC), HOME Program, National Housing Trust Fund, and other ADFA Programs which average 20 to 35 years of affordability compliance. The Compliance Department reviews tenant files and physical conditions of ADFA funded developments for compliance with all program rules and regulations. Tenant files are reviewed for compliance with income and rent restrictions and other federal regulations associated with projects during the affordability period. The Compliance Department is also responsible for physical inspections of projects throughout the affordability period to ensure they meet the physical standard codes of the Uniform Physical Condition Standards (UPCS) Regulations in maintaining a safe, sanitary, and sound living environment. ADFA works with the HUD Alignment Group, Real Estate Assessment Center (REAC) Inspector, and other professionals to assist in assuring ADFA funded developments are in compliance with federal rules and regulations.

County	Projects Reviewed
Arkansas	3
Ashley	0
Baxter	6
Benton	7
Boone	2
Bradley	1
Calhoun	1
Carroll	2
Chicot	1
Clark	0
Clay	0
Cleburne	0
Cleveland	1
Columbia	0
Conway	1
Craighead	7
Crawford	8
Crittenden	8
Cross	1
Dallas	1

Desha	6
Drew	5
Faulkner	7
Franklin	0
Fulton	0
Garland	4
Grant	2
Greene	1
Hempstead	1
Hot Springs	0
Howard	0
Independence	2
Izard	0
Jackson	1
Jefferson	4
Johnson	0
Lafayette	0
Lawrence	0
Lee	1
Lincoln	1
Little River	1
Logan	0

Lonoke	3
Madison	0
Marion	0
Miller	8
Mississippi	1
Monroe	0
Montgomery	0
Nevada	0
Newton	0
Ouachita	0
Perry	0
Phillips	5
Pike	0
Poinsett	0
Polk	0
Pope	1
Prairie	1
Pulaski	27
Randolph	0
Saline	1
Scott	0
Searcy	2

Sebastian	12
Sevier	1
Sharp	2
St. Francis	4
Stone	1
Union	3
Van Buren	1
Washington	7
White	2
Woodruff	2
Yell	0
	170

ADFA ISSUED & OUTSTANDING BONDS - SUMMARIZED

ADFA Issued & Outstanding Bonds						
Bonds Issued by ADFA from 7/1/2023-6/30/2024:						
ADFA						\$159,235,000
GO Bonds						-
Conduit Bonds						339,000,000
						\$498,235,000
Outstanding Bonds Issued by ADFA (excluding conduit and GO debt):						
		Original Allocation of Outstanding Bonds (\$)		Current Remaining Principal Outstanding (\$)		% Outstanding
Fiscal Year						
2024		684,822,314		537,004,963		78.42%
2023		621,889,563		408,899,513		65.75%
2022		622,641,340		433,615,606		69.64%
2021		663,643,599		477,628,773		71.97%
Outstanding GO Bonds Issued by ADFA:						
		Original Allocation of Outstanding Bonds (\$)		Current Remaining Principal Outstanding (\$)		% Outstanding
Fiscal Year						
2024		250,880,000		140,425,000		55.97%
2023		250,880,000		162,660,000		64.84%
2022		250,880,000		179,205,000		71.43%
2021		334,115,000		197,400,000		59.08%
Outstanding Conduit Bonds issued by ADFA (ADFA or the State of Arkansas has no financial obligation):						
		Original Allocation of Outstanding Bonds (\$)		Current Remaining Principal Outstanding (\$)		% Outstanding
Fiscal Year						
2024		3,089,430,797		2,666,785,967		86.32%
2023		2,810,369,286		2,366,596,407		84.21%
2022		2,220,569,286		1,863,715,381		83.93%
2021		2,207,699,286		1,873,611,575		84.87%

AMERICAN RESCUE PLAN PROGRAMS

The FY2024 Annual Report of Program Activity organizes the work of the Arkansas Development Finance Authority into three categories:

- **Lending Programs** - Activities include Single Family Homeownership, Multi-Family Housing, Development Finance, Public Finance, and Student Loans.
- **Non-Lending Programs** - Activities include College Planning Services, Housing Compliance Monitoring, and Bond Issuances.
- **American Rescue Plan (ARP) Programs** - *ADFA, on behalf of the State of Arkansas, administers two American Rescue Plan-funded programs: HOME-ARP, and the State Small Business Credit Initiative (SSBCI).*

SECTION 8 - HOME-AMERICAN RESCUE PLAN (ARP)

The American Rescue Plan of 2021 (ARP), also called the COVID-19 Stimulus Package, Pub.L. 117–2 (March 11, 2021) provides \$5 billion to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations by providing housing, rental assistance, supportive services, and non-congregate shelter to reduce homelessness and increase housing stability across the country.

These grant funds will be administered through HUD’s HOME Investment Partnerships Program (HOME) and are known as HOME-ARP funds.

ADFA’s eligible **HOME-ARP** activities include **acquisition and development of non-congregate shelter, supportive services, and nonprofit operating assistance.**

HOME-ARP funds must assist people in HOME-ARP “qualifying populations,” which include:

- Sheltered and unsheltered homeless populations, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a));
- Those currently housed populations at risk of homelessness, as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42U.S.C. 113060(1));
- Those fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking;
- Other families requiring services or housing assistance or to prevent homelessness.
- In September 2021, HUD announced that the State of Arkansas will receive \$37,547,010 in HOME-ARP funds. This supplemental funding was allocated by formula under the HOME entitlement program.

ADFA’s HOME-ARP Allocation Plan was approved by HUD on November 14, 2022. A substantial amendment to the HOME-ARP Allocation Plan—which included preferences—was approved on June 21, 2023.

HOME ARP - NON-CONGREGATE SHELTER

The American Rescue Plan (ARP) provides funding to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations, by providing housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability across the country. These grant funds will be administered through HUD's HOME Investment Partnerships Program (HOME).

Non-congregate shelter refers to temporary housing options that provide private spaces or units for individuals and families experiencing homelessness or displacement.

FEDERAL HOUSING PROGRAMS - HOME-ARP - NON-CONGREGATE SHELTER						
DEVELOPMENT NAME	COUNTY	CONG. DISTRICT	PROJECT TYPE	TOTAL UNITS	NCS	HOME-ARP FUNDING
Arkansas Enterprises for the Developmentally Disabled, Inc (AEDD)	Lonoke, Pulaski	1st, 2nd	Non-Congregate Shelter Housing	18	18	\$3,933,543
Fort Smith Children's Shelter	Sebastian	3rd	Non-Congregate Shelter Housing	16	16	\$1,562,128
Next Step Day Room Inc	Sebastian	3rd	Non-Congregate Shelter Housing	30	30	\$3,163,875
Our House Inc	Pulaski	2nd	Non-Congregate Shelter Housing	11	11	\$3,772,485
Women & Children First	Pulaski	2nd	Non-Congregate Shelter Housing	44	44	\$7,000,000
				119	119	\$19,432,031



HOME ARP - SUPPORTIVE SERVICES

The American Rescue Plan (ARP) provides funding to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations, by providing housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability across the country. These grant funds will be administered through HUD's HOME Investment Partnerships Program (HOME).

Supportive Services - these services aim to help beneficiaries achieve housing stability and self-sufficiency by offering resources such as mental health and substance abuse counseling, job training, financial literacy workshops, and case management tailored to their unique needs. By addressing the root causes of housing instability, Supportive Services play a crucial role in ensuring long-term success for participants.

FEDERAL HOUSING PROGRAMS - HOME-ARP SUPPORTIVE SERVICES						
DEVELOPMENT NAME	COUNTY	CONG. DISTRICT	PROJECT TYPE	POP SERVED	HH SERVED	HOME-ARP FUNDING
Center for Arkansas Legal Services	ALL	ALL	Supportive Services	1200		\$650,387
Community Action Program for Central AR	Cleburn, Faulkner, White	2nd	Supportive Services		25	\$990,000
Fort Smith Children's Shelter	Sebastian	3rd	Supportive Services	40		\$591,690
Legal Aid of Arkansas	ALL	ALL	Supportive Services	450		\$660,766
Next Step Day Room Inc	Sebastian	3rd	Supportive Services	600		\$101,200
Ouachita Children, Youth & Family Center	Garland	4th	Supportive Services	125		\$454,300
Our House Inc	Pulaski	2nd	Supportive Services	100		\$698,500
Restore Hope, Inc	Pulaski	2nd	Supportive Services	400		\$990,000
Riverview Hope Campus	Sebastian	3rd	Supportive Services	1037		\$750,000
Serve NWA	Washington	3rd	Supportive Services	40		\$330,000
St Bernards Development Foundation	Jonesboro	1st	Supportive Services	40		\$330,000
Women & Children First	Pulaski	2nd	Supportive Services	540		\$788,700
				4572	25	\$7,335,543

HOME ARP - NONPROFIT OPERATING EXPENSE ASSISTANCE

The American Rescue Plan (ARP) provides funding to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations, by providing housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability across the country. These grant funds will be administered through HUD's HOME Investment Partnerships Program (HOME).

Nonprofit Operating Expense Assistance - provides crucial funding to support the daily operational costs of nonprofit organizations working to address the needs of individuals experiencing homelessness, those at risk of homelessness, and other vulnerable populations. By covering expenses such as employee salaries, administrative costs, and other organizational overhead, this assistance enables nonprofits to continue their vital work throughout the compliance period.

FEDERAL HOUSING PROGRAMS - Nonprofit Operating Expense Assistance					
DEVELOPMENT NAME	COUNTY	CONG. DISTRICT	PROJECT TYPE	HOME-ARP FUNDING - Yr 1	HOME-ARP FUNDING- Yr 2
Arkansas Enterprises for the Developmentally Disabled, Inc (AEDD)	Lonoke, Pulaski	1st, 2nd	Nonprofit Operating Expense Assistance	\$150,000	\$150,000
Fort Smith Children's Shelter	Sebastian	3rd	Nonprofit Operating Expense Assistance	\$50,000	\$150,000
Legal Aid of Arkansas	ALL	ALL	Nonprofit Operating Expense Assistance	\$150,000	\$150,000
Next Step Day Room Inc	Sebastian	3rd	Nonprofit Operating Expense Assistance	\$68,250	\$68,250
Restore Hope, Inc	Pulaski	2nd	Nonprofit Operating Expense Assistance	\$150,000	\$150,000
Riverview Hope Campus	Sebastian	3rd	Nonprofit Operating Expense Assistance	\$58,299	\$150,000
Women & Children First	Pulaski	2nd	Nonprofit Operating Expense Assistance	\$150,000	\$150,000
				\$776,549	\$968,250



STATE SMALL BUSINESS CREDIT INITIATIVE (SSBCI)

The American Rescue Plan Act of 2021 (ARPA) reauthorized and amended the Small Business Jobs Act of 2010, codified at 12 U.S.C. § 5701 et seq., to provide \$10 billion to fund the State Small Business Credit Initiative (SSBCI) as a response to the economic effects of the COVID-19 pandemic. SSBCI is a federal program administered by the Department of the Treasury that was created to strengthen capital programs that support private financing to small businesses, including capital access programs and other credit support programs (loan guarantees, loan participations, and venture capital investment programs) of eligible jurisdictions (i.e., states, the District of Columbia, territories, Tribal governments, and eligible municipalities).

Arkansas was awarded up to \$81,621,691 payable in 3 tranches over 6 years, where eighty percent (80%) of each tranche must be expended to draw the next tranche of funds. The program requires an initial minimum of \$1 private funds match each \$1 of SSCBI funds with a plan to produce \$10 of private funds match for each \$1 of SSBCI funds over the 9-year life of the program.

Treasury has mandated deployment of funds into the following specific targeted areas:
 Socially and Economically Disadvantaged Individuals (SEDI) Owned Businesses \$16,557,075
 Very Small Businesses (VSB) with less than 10 employees \$4,142,176
 Additional Incentive Funds (available for meeting above targets) \$8,830,440
 Main Capital Allocation for General Distribution to all Small Businesses \$52,092,000

Total SSBCI Allocation Available to ADFA \$81,621,691

ADFA will deploy funds through the following existing programs:
 Capital Access Program (CAP) \$621,691
 Small Business Revolving Loan Guaranty Fund \$5,000,000
 Bond Guaranty Loan Participation Program \$15,000,000
 Disadvantaged Business Enterprises Program \$15,000,000
 Arkansas Venture Development Fund (Fund to Fund Investment) \$20,000,000
 Arkansas Venture Capital Development Fund (Direct Company Investment) \$26,000,000

Total Potential Funds Deployed by ADFA Programs \$81,621,691

SSBCI activity for Fiscal Year 2024

<u>Program</u>	<u>Committed</u>	<u>Disbursed</u>
Capital Access Program	\$54,194	\$54,194
VC Direct Investment Program	\$5,400,000	\$2,800,000
VC Fund Investment Program	<u>\$ 5,500,000</u>	<u>\$1,010,000</u>
Fiscal Year 2024 Totals	\$10,954,194	\$3,864,194

CONCLUSION

As we reflect on another successful year, it's clear that the Arkansas Development Finance Authority (ADFA) continues to make a significant impact on our state's economy and the lives of its residents.

Building upon our strong foundation, we will continue to enhance our programs, streamline processes, and seek new opportunities to foster growth and development.

On behalf of the entire ADFA team, thank you for your continued support and trust in our work. We look forward to collaborating with you as we create a more prosperous Arkansas for all.

Warm Regards,

ADFA President Mark Conine

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