ARKANSAS DEVELOPMENT FINANCE AUTHORITY

BOARD OF DIRECTORS MEETING

ADFA
ARKANSAS DEVELOPMENT FINANCE AUTHORITY

Thursday, July 16, 2026

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
BOARD OF DIRECTORS PUBLIC MEETING

Department of Commerce,
1 Commerce Way, Little Rock, AR
Central High/Old Mill Meeting Room

Thursday, July 21, 2026
1:00 PM

AGENDA FOR PUBLIC MEETING

I. ROLL CALL AND NOTE OF ABSENCES.

II. MINUTES: ADFA Board of Directors Minutes – May 21, 2026 ……….……. TAB 1

III. PRESIDENT'S REMARKS ………………...………...…………..……........…TAB 2

IV. OTHER BUSINESS:

Board Committee Reports: ………………..……………………………….…….… TAB 3

- Operations Committee, Presented by Carey Smith, Committee Chair
- Audit Committee, Presented by Kirkley Thomas, Audit Liaison
- Housing Review Committee, Presented by Rod Coleman, Committee Chair

V. NEW BUSINESS:

- RESOLUTION: SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF REVOLVING LOAN FUND REVENUE BONDS, SERIES 2026B IN A PRINCIPAL AMOUNT NOT TO EXCEED $275,000,000 – Arkansas Natural Resources Commission -
Presented by
Ryan Bowman and Taylor Marshall, Friday, Eldredge & Clark LLP ……... TAB 4

- RESOLUTION: A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $50,000,000 ARKANSAS DEVELOPMENT FINANCE AUTHORITY CHARTER SCHOOL REVENUE BONDS FOR THE PURPOSE OF PROVIDING FINANCING FOR EDUCATIONAL FACILITIES; – Academies of Math & Science Projects -
Presented by Jacob Hill, Kutak Rock ……………..………..……………….…..... TAB 5

- **ANNUAL UPDATE –** ADFA Employee Handbook –
Presented by Jake Bleed ……………………………………………………...…. TAB 6

VII. ADFA STAFF BOARD REPORTS: ….………...….…….……….….…....... TAB 7

- President
- Fiscal
- Development Finance
- Homeownership
- ASLA
- Communications

ADJOURNMENT:

The next regular ADFA Board of Directors meeting is scheduled for Thursday, August 20, 2026, ADFA, Arkansas Department of Commerce, 1 Commerce Way, Little Rock, Arkansas.

TAB 1

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

BOARD OF DIRECTORS MEETING

MAY 21, 2026
DEPARTMENT OF COMMERCE, 1 COMMERCE WAY
CENTRAL HIGH/OLD MILL MEETING ROOM
LITTLE ROCK, AR

The Board of Directors of the Arkansas Development Finance Authority held its regularly scheduled Board of Directors Meetings on Thursday, May 21, at 1:00 PM.

ADFA Board Members Present: Rod Coleman, Chairman; Jon Chadwell, Vice Chairman; Dr. Martin Eggensperger; Andy Goodman; Katelyn Martin; Russ Martin; Carey Smith; Denise Sweat; Kirkley Thomas; and Kenneth Burleson (Designee, John Thurston, Arkansas Treasurer of State).

ADFA Board Members Absent: Jim Hudson, Secretary, Department of Finance and Administration; and Hugh McDonald, Cabinet Secretary of Department of Commerce.

ADFA Staff Present: Robert "Ro" Arrington, President, Arkansas Development Finance Authority; John Blackwell, Vice President, Tax Credits; Jake Bleed, General Counsel; Ginger Burton, Director of Single Family Outreach; Charles "Chuck" Cathey, Vice President, Development Finance; Kristy Cunningham, CFO; Sean Doolin, Assistant Controller; Paula Farthing, Loan Servicing Manager; Tracy Grant, Assistant Controller; Kimmy Helble, Executive Assistant to President; Amanda Hill, Federal Housing Program Coordinator; Hope Lewis, Controller; Derrick Rose, Director of Outreach and Communication; Megan Summitt, Internal Auditor; and Tony Williams, Director, Arkansas Student Loan Authority.

Others Present: Eric Munson and Dan Rolett, Bank of OZK; Edmond Hurst, Carty, Harding, & Hearn; Gordon Wilbourn, Kutak Rock, LLP; Cheryl Schluterman, Raymond James; and Mark Conine, Simmons Bank.

Call to Order: Chairman Smith called the ADFA Board Meeting to order at approximately 1:01 PM. 0738

Minutes: Chairman Coleman presented the minutes from the April 16, 2026, meeting and entertained a motion to approve the minutes.

Mr. Thomas made a motion to approve the minutes as presented.

Mr. Burleson seconded the motion. The motion passed.

President's Remarks: Mr. Arrington reminded the Board that in accordance with the previously published schedule, there would not be a June meeting.

Mr. Arrington put forth a housekeeping item concerning the Budget for Fiscal Year 2027, excluding the ASLA Budget, which had been introduced to the Board at the April meeting. Mr. Arrington noted that the ASLA Budget had since been incorporated into the Fiscal Year 2027 Budget and confirmed that no action was needed.

OTHER BUSINESS
Committee Meeting Reports to the Board

BOARD COMMITTEE REPORTS:

Operations Committee: Mr. Smith reported that the Operations Committee had convened during the morning Board Committee Meeting and had approved minutes from the April 16, 2026, Asset Commitment Committee, the April 16, 2026, Financial Reporting and Operations Committee, and the April 16, 2026, Professional Selection Committee. A presentation was received from AMS Schools-National, Inc., regarding the Plan and Finance of their charter schools. Mr. Smith further reported that the Operations Committee had approved the funding for Stratos Equity Partners in the amount of $5 million, utilizing SSBCI funds. The Committee also approved the RFP for Simmons Bank as the Trustee for the upcoming Arkansas Student Loan Authority Revenue Bonds.

Additionally, the Committee approved two Prison Construction Trust Fund action memos: the 2025 Cummins and Varner Wastewater Treatment Plant in the amount not to exceed $950,000 and the 2025 Newport Units Door Controls in the amount to not exceed $700,000.

Mr. Smith submitted the actions of the Operations Committee in the form of a motion to the full Board for approval.

Mr. Martin seconded the motion. The motion passed.

Housing Review Committee: Mr. Coleman reported that the Housing Review Committee had convened during the morning Board Committee Meeting and had approved minutes from the meeting on April 16, 2026. The 2026 9% LIHTC staff recommendations of $13,333,900 in Tax Credits, $13,652,906 in HOME funding, and $1,563,623 in NHTF funding were approved. There were 11 new construction projects and one acquisition rehab project, which totaled 698 units across Arkansas.

Mr. Coleman submitted the actions of the Housing Review Committee in the form of a motion to the full Board for approval.

Mr. Chadwell seconded the motion. The motion passed.

<u>Audit Committee:</u> Mr. Coleman reported that the Audit Committee was a committee of the full Board and had convened during the morning Board Committee Meeting. The Audit Committee had approved minutes from the October 16, 2025, meeting, December 4, 2025, meeting, and the April 16, 2026, meeting. The Committee had received and approved the StartSmart Program Audit.

Mr. Coleman submitted the actions of the Audit Committee in the form of a motion to the full Board for approval.

Mr. Martin seconded the motion. The motion passed.

NEW BUSINESS
Minutes, Resolutions, Proposals and Appeals

<u>RESOLUTION: RESOLUTION OF THE BOARD OF DIRECTORS OF ARKANSAS DEVELOPMENT FINANCE AUTHORITY DECLARING ITS OFFICIAL INTENT TO REIMBURSE THE AUTHORITY WITH PROCEEDS OF FUTURE TAXABLE OR TAX-EXEMPT BORROWINGS:</u> Mr. Wilbourn opened with the statement that Kutak Rock represented ADFA.

Mr. Wilbourn explained that, in order to issue Student Loan Bonds and reimburse ADFA with a portion of the proceeds, the Authority needed to formally declare its intent to do so. Mr. Wilbourn noted the purpose of the resolution was to declare the intent to reimburse for any expenditures that ADFA had made from that day forward, as well as for eligible expenses incurred within the 60 days prior. He further stated the resolution included a $100,000 de minimis exception.

Chairman Coleman entertained a motion to approve the RESOLUTION OF THE BOARD OF DIRECTORS OF ARKANSAS DEVELOPMENT FINANCE AUTHORITY DECLARING ITS OFFICIAL INTENT TO REIMBURSE THE AUTHORITY WITH PROCEEDS OF FUTURE TAXABLE OR TAX-EXEMPT BORROWINGS as presented by Mr. Wilbourn.

Dr. Eggensperger made a motion to approve.

Mr. Martin seconded the motion. The motion passed.

<u>RESOLUTION: APPROVING AND AUTHORIZING THE MARKETING OF THE AUTHORITY'S CHARTER SCHOOL REVENUE BONDS; AUTHORIZING THE PRODUCTION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT; AND AUTHORIZING AND PRESCRIBING OTHER MATTERS PERTAINING THERETO – Academies of Math & Science (AMS) Projects:</u> Mr. Wilbourn stated that this was a standard marketing resolution which allowed preliminary actions to be taken. Mr. Wilbourn reminded the Board that in 2024 ADFA issued bonds for the Academies of Math & Science to build a Little Rock campus. The Authority was prepared to refinance the Series 2024 bonds and, as applicable, finance the issuance of up to $50,000,000 for AMS projects including the construction of the campus in Fort Smith.

Mr. Wilbourn stated that, following the public hearing, he would return to the Board at the July meeting with the Approving Resolution. Mr. Wilbourn confirmed that this was a conduit issue and that ADFA had no liability, financial liability or obligation in connection with these bonds.

Chairman Coleman entertained a motion to approve the APPROVING AND AUTHORIZING THE MARKETING OF THE AUTHORITY'S CHARTER SCHOOL REVENUE BONDS; AUTHORIZING THE PRODUCTION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT; AND AUTHORIZING AND PRESCRIBING OTHER MATTERS PERTAINING THERETO with the conditions that the bonds be marketed in minimum denominations of $100,000 and that the approved date be corrected to May 21, 2026.

Mr. Thomas made a motion to approve.

Mr. Goodman seconded the motion. The motion passed.

ADFA STAFF BOARD REPORTS: No additional discussion. No action needed.

ADJOURNMENT

Announcement: Chairman Coleman announced the Housing Summit Program in the Jonesboro area on September 16 – 17, 2026, that was being organized by Ms. Brockway and her team.

Adjournment: Being no further business, Chairman Coleman adjourned the ADFA Board of Directors meeting at approximately 1:12 PM.

Minutes approved and signed on this 21st day of May 2026.

Rod Coleman,
Chairman of the Board

Robert Arrington,
President/Secretary

TAB 2

ADFA PRESIDENT'S REMARKS

TAB 3

Other Business:

Board Committee Reports

TAB 4

SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF REVOLVING LOAN FUND REVENUE BONDS, SERIES 2026B IN A PRINCIPAL AMOUNT NOT TO EXCEED $275,000,000

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SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF REVOLVING LOAN FUND REVENUE BONDS, SERIES 2026B IN A PRINCIPAL AMOUNT NOT TO EXCEED $275,000,000

BE IT RESOLVED by the Board of Directors of the Arkansas Development Finance Authority ("ADFA") on July 16, 2026, that, pursuant to the Revolving Loan Fund Revenue Bond Program General Bond Resolution adopted on July 20, 2023 (the "General Resolution"), this resolution is adopted as follows:

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 101. **Short Title**. This resolution, as supplemented by the Confirming Resolution identified in **Section 102**, may hereafter be cited by ADFA and is herein sometimes referred to as the "Series 2026B Resolution."

Section 102. **Definitions and Interpretation.**

(a) All defined terms contained in the Series 2026B Resolution shall have the same meanings as such terms are given in ***Exhibit A of the General Resolution.***

(b) In addition, as used in the Series 2026B Resolution, the following terms shall have the following meanings, unless a different meaning clearly appears from the context:

"Bond Purchase Agreement" means the Bond Purchase Agreement providing for the sale and purchase of the Series 2026B Bonds between ADFA and the Purchaser.

"Confirming Resolution" means a resolution of ADFA adopted prior to the issuance of the Series 2026B Bonds confirming the aggregate principal amount, maturity and interest rate schedules, and redemption features of the Series 2026B Bonds.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement, dated as of the date of the original issuance and delivery of the Series 2026B Bonds, by and between ADFA and ANRC.

"Paying Agent" means Regions Bank, and its successors, and any other bank, trust company or corporation that may at any time be substituted in its place in accordance with the General Resolution.

"Preliminary Official Statement" means the Preliminary Official Statement to be distributed to prospective purchasers of the Series 2026B Bonds.

"Purchaser" means, collectively, _______________.

"Series 2026B Bonds" means the Arkansas Development Finance Authority Revolving Loan Fund Revenue Bonds, Series 2026B, dated the date of their original issuance and delivery, authorized by the Series 2026B Resolution.

"Series 2026B Resolution" means this resolution adopted by ADFA on July 16, 2026, as supplemented by the Confirming Resolution, authorizing the issuance of the Series 2026B Bonds.

Section 103. **Rules of Construction**. Unless the context clearly indicates to the contrary, the following rules apply to the construction of the Series 2026B Resolution:

(a) Words importing the singular number include the plural number and words importing the plural number include the singular number.

(b) Words of the masculine gender include correlative words of the feminine and neuter genders.

(c) The table of contents and the headings or captions used in this resolution are for convenience of reference and do not constitute a part of this resolution, nor affect its meaning, construction, or effect.

(d) Words importing persons include any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, or government or agency or political subdivision thereof.

(e) Any reference to a particular percentage or proportion of the Holders of Series 2026B Bonds shall mean the Holders at the particular time of the specified percentage or proportion in aggregate principal amount of all such Series 2026B Bonds then Outstanding under the Series 2026B Resolution.

(f) Any reference in the Series 2026B Resolution to a particular "Article," "Section," or other subdivision shall be to such Article, Section, or subdivision of the Series 2026B Resolution unless the context shall otherwise require.

Section 104. **Authority For This Resolution**. The Series 2026B Resolution is adopted pursuant to the provisions of the Act and the General Resolution.

ARTICLE II

AUTHORIZATION AND DETAILS OF THE SERIES 2026B BONDS

Section 201. **Series 2026B Bonds Authorized**. In order to provide sufficient funds for the Clean Water Program and the Drinking Water Program, in accordance with and subject to the terms, conditions, and limitations established in the General Resolution and the Series 2026B Resolution, a series of Revolving Loan Fund Revenue Bonds is hereby authorized to be issued in the aggregate principal amount of not to exceed $275,000,000, which shall be designated "Arkansas Development Finance Authority Revolving Loan Fund Revenue Bonds, Series 2026B." The Series 2026B Bonds will be issued under and secured by the General Resolution and the Series 2026B Resolution.

Section 202. **Purpose**. The Series 2026B Bonds are being issued for the purpose of funding loans under the Clean Water Program described in A.C.A. §§ 15-5-901 to -910 and the Drinking Water Program described in A.C.A. §§ 15-22-1101 to -1112.

Section 203. **Paying Agent**. Regions Bank is hereby appointed as the paying agent for the Series 2026B Bonds.

Section 204. **Details of Series 2026B Bonds; Form of Series 2026B Bonds and Certificate of Authentication**. The Series 2026B Bonds shall be issuable as fully registered bonds without coupons. The Series 2026B Bonds shall be dated as of their date of issuance, shall bear interest at the rate or rates of interest per annum (calculated on the basis of a year consisting of twelve 30-day months) payable on June 1 and December 1 of each year commencing June 1, 2027, and shall mature on the dates and in the amounts as set forth in the Bond Purchase Agreement and confirmed by the Confirming Resolution.

The Series 2026B Bonds shall be subject to redemption prior to maturity and shall otherwise have the terms, tenor, details, and specifications as set forth in the form of Series 2026B Bonds attached hereto as ***Appendix A*** and in the Confirming Resolution. Each Series 2026B Bond shall be in the denomination of $5,000 or an integral multiple thereof not exceeding the aggregate principal amount of Series 2026B Bonds maturing in the year in which such Series 2026B Bonds mature.

The Series 2026B Bonds shall be executed on behalf of ADFA by the manual signatures of the Chair and the President and shall be substantially in the form set forth in **Appendix A** attached hereto with such insertions, omissions, and variations as may be deemed necessary or appropriate by the persons executing the same and as shall be permitted by the Act. The covenants and conditions set forth in such form are incorporated into the Series 2026B Resolution by reference and shall be binding upon ADFA as though set forth in full herein. The Series 2026B Bonds may contain, or have endorsed thereon, any notations, legends, or endorsements not inconsistent with the provisions of the Series 2026B Resolution as may be necessary or desirable and as may be determined by an Authorized Officer of ADFA. The execution and delivery of the Series 2026B Bonds by ADFA in accordance with the Series 2026B Resolution shall be conclusive evidence of the approval of the form of the Series 2026B Bonds by ADFA, including any insertions, omissions, variations, notations, legends, or endorsements authorized by the Series 2026B Resolution.

The Series 2026B Bonds shall be lettered and numbered in the manner determined by the Trustee. Before authenticating and delivering any Series 2026B Bond, the Trustee, as Registrar, shall complete the form of such Bond to show the registered owner, principal amount, interest rate, maturity date, number, and authentication date of such Series 2026B Bond.

The printing of CUSIP numbers on the Series 2026B Bonds shall have no legal effect and shall not affect the enforceability of any Series 2026B Bond.

Section 205. **Sale of Series 2026B Bonds**. The Series 2026B Bonds shall be sold pursuant to the terms and conditions of the Bond Purchase Agreement for the purchase price and upon the terms and conditions set forth therein. The Bond Purchase Agreement is hereby approved in substantially the form presented to this meeting, with such changes as shall be approved by the person executing the document, his execution to constitute conclusive evidence of such approval. The President is hereby authorized to execute and deliver the Bond Purchase Agreement on behalf of ADFA, an executed copy of which shall be filed in the permanent records of ADFA, so long as the following conditions are met:

(a) The principal amount of the Series 2026B Bonds shall not exceed $275,000,000;

(b) The Series 2026B Bonds shall have an aggregate true interest cost (after taking into account original issue discount and premium and underwriters' discount but excluding costs of issuing the Series 2026B Bonds) not greater than 5.50%;

(c) The purchase price of the Series 2026B Bonds shall not be less than 98% of par (without regard to original issue discount or premium, if any); and

(d) The Series 2026B Bonds shall mature not later than June 1, 2057.

Section 206. **Conditions Precedent to Delivery of Series 2026B Bonds**. The Series 2026B Bonds shall be executed by ADFA and delivered to the Trustee, whereupon the Trustee shall authenticate the Series 2026B Bonds as provided in the General Resolution and, upon payment of the purchase price of the Series 2026B Bonds, shall deliver the Series 2026B Bonds upon the order of ADFA, but only upon satisfaction of the conditions contained in ***Section 3.06(f) of the General Resolution***.

Section 207. **Book Entry of Series 2026B Bonds**. The Series 2026B Bonds shall initially be issued in book-entry only form with one bond of each maturity, in the aggregate principal amount of such maturity, registered in the name of Cede & Co., as nominee of DTC. So long as all of the Series 2026B Bonds shall be maintained in book-entry form with DTC, the Series 2026B Bonds shall be subject to the provisions of ***Section 6.06 of the General Resolution.***

Section 208. **Continuing Disclosure Agreement**. The Continuing Disclosure Agreement is hereby approved in substantially the form presented to this meeting, with such changes as shall be approved by the person executing the document, his execution to constitute conclusive evidence of such approval. The President is hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement on behalf of ADFA, an executed copy of which shall be filed in the permanent records of ADFA.

Section 209. **Sinking Fund Installments for Series 2026B Bonds**. At its option, to be exercised on or before the 45th day next preceding any sinking fund redemption date, ADFA may (i) deliver to the Trustee for cancellation Series 2026B Bonds subject to sinking fund maturity or portions thereof ($5,000 or any integral multiple thereof) in any aggregate principal amount desired or (ii) receive a credit in respect of its sinking fund redemption obligation for any corresponding Series 2026B Bonds subject to sinking fund maturity, or portions thereof ($5,000 or any integral multiple thereof) which prior to said date have been purchased or redeemed (otherwise than through sinking fund redemption pursuant to this Section) and canceled by the Trustee and not therefore applied as a credit against any sinking fund redemption obligation. Each such Series 2026B Bond subject to sinking fund maturity or portion thereof so delivered or previously purchased or redeemed and canceled by the Trustee shall be credited by the Trustee at 100 percent of the principal amount thereof on the obligation of ADFA toward any one or more of such sinking fund redemption payments, as directed by ADFA in a certificate of its Authorized Officer, or, failing such direction by April 10 and October 10 of each year, toward such sinking fund redemption payments in inverse order of their due dates, and the principal amount of such Series 2026B Bonds subject to sinking fund maturity so to be redeemed shall be accordingly reduced.

ADFA will on or before the 45th day next preceding each sinking fund redemption date furnish the Trustee with its certificate indicating to what extent the provisions of ***clauses (i) and (ii) of the preceding paragraph*** are to be availed of with respect to such sinking fund redemption payment.

ARTICLE III

CREATION OF SUBACCOUNTS; DISPOSITION OF PROCEEDS AND OTHER AMOUNTS

Section 301. **Series 2026B Subaccounts.**

(a) ADFA shall establish Series 2026B Subaccounts within the Interest Account and Principal Account of the Debt Service Fund. ADFA shall also establish Series 2026B Subaccounts within the Clean Water Loan Account and the Drinking Water Loan Account.

(b) The creation of the Series 2026B Subaccounts shall be solely for the ease of administration and shall in no event affect the equal and ratable security of the Bonds of each Series.

Section 302. **Disposition of Proceeds of the Series 2026B Bonds**. Simultaneously with the delivery of the Series 2026B Bonds, the Trustee shall deposit the proceeds thereof as follows:

(a) the sum specified in a certificate of an Authorized Officer of ADFA as the costs of issuance of the Series 2026B Bonds to be paid from proceeds of the Series 2026B Bonds shall be applied to such purpose; and

(b) the balance of the proceeds shall be deposited in the Series 2026B Subaccounts of the Clean Water Loan Account and the Drinking Water Loan Account, as shall be specified by an Authorized Officer of ADFA.

ARTICLE IV

MISCELLANEOUS

Section 401. **No Recourse on Series 2026B Bonds**. No recourse shall be had for the payment of the principal of and interest on the Series 2026B Bonds or for any claims based thereon or on the Series 2026B Resolution against any member, officer, director, or employee of ADFA or any person executing the Series 2026B Bonds, and none of such persons shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof, all such liability, if any, being expressly waived and released by every Holder of Series 2026B Bonds by the acceptance of such Series 2026B Bonds.

Section 402. **Designation of Professionals**. The Purchaser is hereby selected to serve as Underwriter, Friday, Eldredge & Clark, LLP, is hereby selected to serve as Bond Counsel, and Regions Bank is hereby selected to serve as Trustee and Paying Agent for the Series 2026B Bonds.

Section 403. **Delegation of Authority**. The President is hereby delegated the authority to enter into agreements on behalf of ADFA with respect to the issuance and sale of the Series 2026B Bonds, including the Bond Purchase Agreement, a Tax Regulatory Agreement, the Continuing Disclosure Agreement, and other agreements and certificates with respect to the issuance, sale, and securing of the Series 2026B Bonds.

Section 404. **Preliminary Official Statement**. The Preliminary Official Statement is hereby approved in substantially the form presented to this meeting and the distribution of the Preliminary Official Statement to prospective purchasers of the Series 2026B Bonds is hereby approved. The President is hereby authorized and directed to cause the Preliminary Official Statement to be delivered for and in the name of ADFA and is further authorized to execute and deliver to the Purchaser a certificate to the effect that the Preliminary Official Statement is deemed final for the purposes of Securities and Exchange Commission Rule 15c2-12.

Section 405. **Official Statement**. There is hereby authorized the preparation and distribution of a final Official Statement to purchasers of the Series 2026B Bonds. The President, for and on behalf of ADFA, is authorized to execute such Official Statement, a copy of which shall be filed in the permanent records of ADFA.

Section 406. **Effective Date**. This resolution shall take effect immediately.

ADOPTED AND APPROVED this July 16, 2026.

ATTEST:

____
Rod Coleman, Chair

____
Robert M. "Ro" Arrington, President

APPROVAL BY ANRC

The Arkansas Natural Resources Commission hereby approves the foregoing Series Resolution.

DATED: July 16, 2026.

ARKANSAS NATURAL RESOURCES COMMISSION

____
Authorized Representative

ACCEPTANCE BY TRUSTEE

Regions Bank hereby accepts the duties of Trustee and appointment as Registrar and Paying Agent pursuant to the provisions of the foregoing Series Resolution.

DATED: July 16, 2026

REGIONS BANK

____
Authorized Representative

APPENDIX A

FORM OF SERIES 2026B BOND

REGISTERED	REGISTERED
RB-___	$_________

UNITED STATES OF AMERICA
STATE OF ARKANSAS
ARKANSAS DEVELOPMENT FINANCE AUTHORITY
REVOLVING LOAN FUND REVENUE BOND,
SERIES 2026B

Interest Rate:	Maturity Date:	Date of Issuance:	CUSIP:
______%	June 1, 20__	September 22, 2026	_______

Registered Owner: Cede & Co.

Principal Sum: ____ Dollars

ARKANSAS DEVELOPMENT FINANCE AUTHORITY, a public body politic and corporate organized and existing under and by virtue of the laws of the State of Arkansas ("ADFA"), for value received, hereby promises to pay, but only from the sources hereinafter provided, to the Registered Owner shown above or registered assigns or legal representative, upon the presentation and surrender of this bond as provided herein, the Principal Sum shown above on the Maturity Date shown above (unless redeemed prior thereto as hereinafter provided), with interest thereon based on a year of twelve 30-day months from the most recent date to which interest has been paid, or if the Date of Authentication shown below is prior to the first interest payment date, from the date of their original issuance and delivery, at the Interest Rate shown above until said Principal Sum is paid, payable on June 1, 2027 and semiannually thereafter on June 1 and December 1 of each year.

All interest due on this bond shall be payable to the person in whose name this bond is registered as of the close of business on the 15th day of May and November in each year or the preceding business day if such 15th day is not a business day (the "Record Date"), by check or draft to the address of such owner as it appears on the bond registration books of ADFA maintained by Regions Bank, as Trustee (the "Trustee") under the General Resolution mentioned herein. While this bond is registered in the name of Cede & Co. (or a successor entity), as nominee of The Depository Trust Company ("DTC"), the interest payments will be made in accordance with DTC procedures.

The principal of and interest on this bond are payable in any coin or currency of the United States of America which, at the date of payment, is legal tender for the payment of public and private debts, upon presentation and surrender hereof at the principal corporate trust office of Regions Bank, or its successor or successors, as Paying Agent; provided, however, that interest on this fully registered bond shall be paid by check or draft as set forth above.

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Trustee for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is required by an authorized representative of DTC), ANY

TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

This bond has been issued under Subchapter 3 of the Arkansas Development Finance Authority Act, as amended, Arkansas Code Annotated §§ 15-5-101 to -318, inclusive (the "Act"). The Series 2026B Bonds (as hereinafter defined) are special limited revenue obligations only of ADFA and in no event shall the Series 2026B Bonds constitute an indebtedness of the State of Arkansas (the "State") or an indebtedness for which the faith and credit of the State or any of its revenues are pledged or an indebtedness secured by a lien on or a security interest in any property of the State.

The Series 2026B Bonds are special limited revenue obligations of ADFA payable from the Pledged Receipts (as defined in the General Resolution) and all moneys and securities on deposit in the funds and accounts created by the General Resolution (except the Rebate Fund) as provided in Act No. 718 of the General Assembly of the State for the year 1991, as amended from time to time, codified at Arkansas Code Annotated §§ 15-5-901 to -910, inclusive (the "Construction Assistance Revolving Loan Fund Act"), Act No. 772 of the General Assembly of the State for the year 1997, as amended from time to time, codified at Arkansas Code Annotated §§ 15-22-1101 to -1112, inclusive (the "Drinking Water Revolving Loan Fund Act"), and the General Resolution. The pledge of the Pledged Receipts and the funds and accounts created by the General Resolution in favor of the Series 2026B Bonds is on a parity with the pledge in favor of the Arkansas Development Finance Authority Revolving Loan Fund Revenue Bonds, Series 2023, the Arkansas Development Finance Authority Revolving Loan Fund Revenue Bonds, Series 2025 and the Arkansas Development Finance Authority Revolving Loan Fund Revenue Bonds, Series 2026. This bond is not a general obligation of ADFA. ADFA has no taxing power. The issuance of the Series 2026B Bonds shall not directly, indirectly or contingently obligate, morally or otherwise, the State or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment.

It is hereby certified and recited that all acts, conditions, and things required by the Constitution and laws of the State and the rules and regulations of ADFA to happen, exist, and be performed precedent to and in the issuance of this bond have happened, exist, and have been performed as so required.

No recourse shall be had for the payment of the principal or redemption price of and interest on this bond or for any claims based hereon or thereon against any officer of ADFA or any person executing this bond, all such liability, if any, being expressly waived and released by the Registered Owner of this bond by the acceptance of this bond.

This bond shall not be valid or become obligatory for any purpose until it shall have been authenticated by the execution by the Trustee of the certificate of authentication endorsed hereon.

1. **Resolutions**. This bond is a special limited revenue obligation of ADFA and is one of the bonds of ADFA designated "Arkansas Development Finance Authority Revolving Loan Fund Revenue Bonds" (the "Bonds"), authorized to be issued in various series under and pursuant to the Act, a resolution adopted by ADFA on July 20, 2023, titled "Revolving Loan Fund Revenue Bond Program General Bond Resolution" (the "General Resolution"), a series resolution adopted by ADFA on July 16, 2026, titled "Series Resolution Authorizing the Issuance of Revolving Loan Fund Revenue Bonds, Series 2026B in a Principal Amount Not to Exceed $275,000,000" (the "Series Resolution") and a confirming resolution adopted by ADFA on August 20, 2026, titled "Resolution Confirming the Aggregate Principal Amount, Maturity and Interest Rate Schedules, and Redemption Features of the Revolving Loan Fund Revenue Bonds, Series 2026B" (the "Confirming Resolution" and collectively with the General Resolution and the Series Resolution,

the "Resolutions"), and other proceedings duly had and taken in conformity therewith. As provided in the General Resolution, and except as may be limited by law, the Bonds may be issued from time to time pursuant to series resolutions in one or more series, in various principal amounts, may bear interest at different rates, and, subject to the provisions thereof, may otherwise vary. The aggregate principal amount of Bonds which may be issued under the General Resolution is not limited except as provided therein or as may be limited by law, and all Bonds issued and to be issued thereunder are and will be equally and ratably secured by the pledges, assignments in trust, and covenants made therein, except as otherwise expressly provided or permitted in the General Resolution.

This bond is one of a series of Bonds designated "Series 2026B" (the "Series 2026B Bonds") issued in the aggregate principal amount of $_________ under the Resolutions. Copies of the Resolutions are on file at the principal corporate trust office of the Trustee and at the office of ADFA in Little Rock, Arkansas, and reference to the Resolutions and any and all supplements thereto and modifications and amendments thereof and to the Act, the Construction Assistance Revolving Loan Fund Act, and the Drinking Water Revolving Loan Fund Act is made for a description of the pledges, assignments in trust, and covenants securing the Series 2026B Bonds, the nature, extent, and manner of enforcement of such pledges, assignments in trust, and covenants, the rights and remedies of the Registered Owners of the Series 2026B Bonds with respect thereto, and the terms and conditions upon which the Bonds are issued and may be issued thereunder.

2. **The Series 2026B Bonds**. The Series 2026B Bonds mature in the years and the amounts and bear interest as set forth below:

Year (June 1)	Principal Amount	Interest Rate

The Series 2026B Bonds are issuable in the form of registered bonds without coupons in the denomination of $5,000 each or an integral multiple thereof, not exceeding the aggregate principal amount of Series 2026B Bonds maturing in such year.

3. **Redemption**. The Series 2026B Bonds at the time outstanding may be redeemed prior to their respective maturities as follows:

(a) *Optional Redemption*. The Series 2026B Bonds maturing on or after June 1, 20__, are subject to redemption prior to maturity beginning on June 1, 20__, at the option of ADFA, as a whole or in part at any time, at a redemption price equal to the outstanding principal amount of the Series 2026B Bonds to be redeemed, plus accrued interest thereon to the date set for redemption.

If fewer than all of the Series 2026B Bonds shall be called for optional redemption, the particular maturities of such Series 2026B Bonds to be redeemed shall be selected by ADFA in its discretion. If fewer than all of the Series 2026B Bonds of any one maturity shall be called for redemption, the particular Series 2026B Bonds or portions of such Series 2026B Bonds to be redeemed from such maturity shall be selected by lot by the Trustee in such manner as the Trustee in its discretion may determine; provided, however, that so long as Cede & Co. (or a successor entity), as a nominee of DTC, is the sole Registered Owner of the Series 2026B Bonds, the particular Series 2026B Bonds, or portions thereof, to be redeemed within a maturity shall be selected by lot by DTC, in such manner as DTC shall determine.

(b) *Sinking Fund Redemption.* The Series 2026B Bonds maturing on June 1, 20__ are subject to redemption prior to maturity at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date for redemption from sinking fund redemption payments on June 1 in the years and in the amounts as follows:

Series 2026B Bonds Due June 1, 20__

Year (June 1)	Amount

The Series 2026B Bonds redeemed by sinking fund redemption payments shall be selected by lot by the Trustee, except that so long as DTC or its nominee is the sole Registered Owner of the Series 2026B Bonds, the Series 2026B Bonds or portions thereof redeemed by sinking fund redemption payments shall be selected by lot by DTC, in such manner as DTC shall determine.

At its option, to be exercised on or before the 45th day next preceding any sinking fund redemption date, ADFA may (i) deliver to the Trustee for cancellation Series 2026B Bonds subject to sinking fund maturity or portions thereof ($5,000 or any integral multiple thereof) in any aggregate principal amount desired or (ii) receive a credit in respect of its sinking fund redemption obligation for any Series 2026B Bonds subject to sinking fund maturity or portions thereof ($5,000 or any integral multiple thereof) which prior to said date have been purchased or redeemed (otherwise than through sinking fund redemption) and canceled by the Trustee and not theretofore applied as a credit against any sinking fund redemption obligation. Each such Series 2026B Bond subject to sinking fund maturity or portion thereof so delivered or previously purchased or redeemed and canceled by the Trustee shall be credited by the Trustee at 100 percent of the principal amount thereof on the obligation of ADFA on such sinking fund redemption date and any excess over such amount shall be credited on future sinking fund redemption obligations as directed by ADFA or failing such direction, credited on future sinking fund redemption obligations in inverse order of their due dates, and the principal amount of such Series 2026B Bonds subject to sinking fund maturity so to be redeemed shall be accordingly reduced.

ADFA will on or before the 45th day next preceding each sinking fund redemption date furnish the Trustee with its certificate indicating to what extent the provisions of clauses (i) and (ii) of the preceding paragraph are to be availed of with respect to such sinking fund redemption payment.

(c) *Extraordinary Mandatory Redemption*. The Series 2026B Bonds maturing on and after June 1, 20__ shall be subject to extraordinary mandatory redemption prior to their scheduled maturities, on _______________, 2027 (the "One-Year Extraordinary Mandatory Redemption"), in an amount equal to the Computation Amount (as hereinafter defined) applicable to the One-Year Computation Period (as hereinafter defined), plus accrued interest to the date of such extraordinary mandatory redemption, at the redemption prices set forth below, expressed as percentages of the principal amount of each maturity of the Series 2026B Bonds so redeemed:

Maturity (June 1)	Redemption Price (%)	Maturity (June 1)	Redemption Price (%)

The Series 2026B Bonds maturing on and after June 1, 20__ shall be subject to extraordinary mandatory redemption prior to their schedule maturities, on ______________, 2029 (the "Three-Year Extraordinary Mandatory Redemption"), in an amount equal to the Computation Amount applicable to the Three-Year Computation Period (as hereinafter defined), plus accrued interest to the date of such extraordinary mandatory redemption, at the redemption prices set forth below, expressed as percentage of the principal amount of each maturity of the Series 2026B Bonds so redeemed:

Maturity (June 1)	Redemption Price (%)	Maturity (June 1)	Redemption Price (%)

"Computation Amount" means surplus proceeds (rounded to the next higher $5,000 denomination) equal to the remainder of (A) thirty percent (30%) of the Net Proceeds less proceeds of the Series 2026B Bonds directly or indirectly used to make loans or grants as of the last day of the One-Year Computation Period (but not less than zero) or (B) ninety-five percent (95%) of the Net Proceeds less the proceeds of the Series 2026B Bonds directly or indirectly used to make loans or grants as of the last day of the Three-Year Computation Period (but not less than zero). "Net Proceeds" means the amounts received from the sale of the Series 2026B Bonds less proceeds used to pay costs of issuance, including underwriters' discount, during all or any portion of the One-Year Computation Period, or the Three-Year Computation Period, as the case may be.

"One-Year Computation Period" means the period ending on the last day of the one-year period commencing on the date of issuance of the Series 2026B Bonds. "Three-Year Computation Period" means the period ending on the last day of the three-year period commencing on the date of issuance of the Series 2026B Bonds.

The foregoing notwithstanding, the Series 2026B Bonds shall not be subject to the Three-Year Extraordinary Mandatory Redemption if ADFA obtains an opinion of nationally recognized bond counsel to the effect that, if ADFA does not cause the extraordinary mandatory redemption to occur, it will not adversely affect the excludability of interest on the Series 2026B Bonds from gross income for federal income tax purposes.

For purposes of the One-Year Extraordinary Mandatory Redemption and the Three-Year Extraordinary Mandatory Redemption, the Series 2026B Bonds subject to such redemption shall be selected on a "Pro-Rata Basis"; *provided*, that if any amount required to be redeemed remains after such selection, such remaining amount shall be applied to the redemption of $5,000 in principal amount of each maturity of Series 2026B Bonds in inverse order of maturity. The term "Pro-Rata Basis" means that the principal amount of Series 2026B Bonds of a particular maturity to be redeemed shall be determined by multiplying the Computation Amount by the ratio which the principal amount of Series 2026B Bonds of such maturity then outstanding bears to the aggregate principal amount of Series 2026B Bonds then outstanding and subject to redemption.

As long as the Series 2026B Bonds are registered in the name of Cede & Co. (or a successor entity) in book-entry system, the Trustee shall give notice of the call for any redemption by certified mail or other standard means, including electronic or facsimile communication, at least 30 days before the redemption date to Cede & Co. (or a successor entity) as the Registered Owner of each Series 2026B Bond or portion of such Series 2026B Bond to be redeemed at the address appearing on the registration books maintained by the Trustee as Registrar. At such time as the Series 2026B Bonds are no longer held by Cede & Co. (or a successor entity), the Trustee shall give notice of the call for any redemption by sending a copy of such notice not less than 30 nor more than 60 days prior to the redemption date, by first class mail, postage prepaid, or other acceptable means of delivery, including electronic or facsimile communication, to the Registered Owner of such Series 2026B Bond. The Series 2026B Bonds so called for redemption will cease to bear interest on the specified redemption date and shall no longer be secured by the Resolutions, provided that funds for such redemption are on deposit at the time with the Trustee.

On the date designated for redemption, notice having been given as provided herein, the Series 2026B Bonds or portions of such Series 2026B Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2026B Bonds or such portions thereof on such date and, if moneys for the payment of the redemption price and accrued interest are held by the Trustee as provided in the Resolutions, interest on such Series 2026B Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2026B Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Resolutions, and the Registered Owners thereof shall have no rights in respect of such Series 2026B Bonds or such portions thereof so called for redemption except to receive payment of the redemption price thereof and the accrued interest thereon so held by the Trustee. If a portion of this bond shall be called for redemption, a new Series 2026B Bond in the aggregate principal amount equal to the unredeemed portion of this bond, of the same series and maturity and bearing interest at the same rate, shall be issued to the Registered Owner upon the surrender of this bond.

4. **Defeasance**. The General Resolution prescribes the manner in which the Resolutions may be discharged and provides that Bonds shall be deemed to be paid if (a) cash fully insured by the Federal Deposit Insurance Corporation and/or fully collateralized with United States Government Obligations (as defined in the General Resolution) and/or (b) United States Government Obligations, the principal of and interest on which, when due, will be sufficient to pay the principal or redemption price of and interest on such Bonds to the date of maturity or redemption thereof, shall have been deposited with the Trustee.

5. **Persons Deemed Owners; Restrictions upon Actions by Individual Holders**. ADFA and the Trustee may deem and treat the person in whose name this bond is registered as the absolute owner hereof (whether or not this bond shall be overdue and notwithstanding any notation of ownership or other writing hereon made by anyone other than ADFA or the Trustee) for the purpose of receiving payment of or on account of the principal or redemption price of this bond, and for all other purposes except as otherwise provided herein with respect to the payment of interest on this bond, and neither ADFA nor the Trustee shall be affected by any notice to the contrary. All such payments so made to any such Registered Owner, or upon order of the Registered Owner, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable under this bond.

The Registered Owner of this bond shall have no right to enforce the provisions of the Resolutions, or to institute any action to enforce the covenants therein, or to take any action with respect to any event of default (as set forth in Section 9.01 of the General Resolution), or to institute, appear in, or defend any suit or other proceeding with respect hereto, except as provided in the General Resolution.

6. **Transfer and Exchange**. This bond is transferable or exchangeable, only upon the books of ADFA kept for that purpose at the principal corporate trust office of the Trustee, by the Registered Owner of this bond in person or by an attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Trustee duly executed by the Registered Owner or an attorney duly authorized in writing, and thereupon a new registered bond or bonds, in the same aggregate principal amount and of the same

maturity, shall be issued to the transferee or the Registered Owner in exchange therefor as provided in the General Resolution and upon the payment of any tax, fee, or other governmental charge required to be paid with respect to such transfer or exchange, if any, therein prescribed. Neither ADFA nor the Trustee shall be required to register the transfer of this bond or make any such exchange of this bond after this bond or any portion of this bond has been selected for redemption.

7. **Negotiability**. As declared by the Act, this bond shall be and be deemed to be for all purposes a negotiable instrument subject *only* to the provisions for registration and registration of transfer stated herein.

8. **Governing Law**. The provisions of this bond and the rights of all parties mentioned herein shall be governed by and construed in accordance with the laws of the State. The appropriate courts of the State shall have jurisdiction in any proceeding instituted to enforce this bond.

IN WITNESS WHEREOF, the Arkansas Development Finance Authority has caused this bond to be executed in its name by the manual or facsimile signature of the Chair of its Board of Directors and its corporate seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved, or otherwise reproduced and attested by the manual or facsimile signature of its President, all as of the Date of Issuance shown above.

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

By: ______________________________
Chair

ATTEST:

____
President

(SEAL)

CERTIFICATE OF AUTHENTICATION

This bond is one of the Revolving Loan Fund Revenue Bonds, Series 2026B, designated herein and issued under the provisions of the within-mentioned Resolutions, bearing an original issue date of September 22, 2026.

Date of Authentication: ______________, 2026

REGIONS BANK, as Trustee

By: ________________________________
Authorized Official

[Form of Assignment to be added]

TAB 5

RESOLUTION

(Academies of Math & Science Projects)

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $50,000,000 ARKANSAS DEVELOPMENT FINANCE AUTHORITY CHARTER SCHOOL 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 BOND PURCHASE AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND INDENTURE TO SECURE THE BONDS, AND THE DELIVERY AND EXECUTION OF A LOAN AGREEMENT AND OTHER RELATED DOCUMENTS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the 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, codified at Arkansas Code Annotated §§ 15-5-101 *et. seq.*, as amended (the "***Act***"), to issue revenue bonds, either alone or as a composite issue, and to expend or loan the proceeds thereof to finance or refinance 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 Authority previously issued its Charter School Revenue Bonds (Academies of Math & Science – Little Rock Project), Series 2024A and Taxable Series 2024B (together, the "***Bonds Being Refunded***") and loaned the proceeds to AMS Properties – Arkansas, LLC (the "***Borrower***"), an Arkansas limited liability company whose sole member is AMS Schools – National, Inc. ("***AMS National***"), a Texas nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "***Code***"), for, among other things, financing or refinancing, as applicable, the costs of acquiring, constructing, equipping and improving the Little Rock Facility (defined below); and

WHEREAS, on May 21, 2026, the Authority agreed (a) through the issuance of one or more series of taxable or tax-exempt revenue bonds under the Act, to provide permanent financing (including by refunding the Bonds Being Refunded) of the costs, in whole or in part, of (i) acquiring, constructing, equipping and improving, as applicable, educational facilities consisting of land, buildings, improvements, equipment and facilities located or to be located in Fort Smith and Little Rock, Arkansas (as more specifically defined below, the "***Series 2026 Facilities***"), (ii) paying necessary expenses incidental to the sale and issuance of the bonds, (iii) funding certain interest on the bonds (if any), and (iv) funding a debt service reserve fund (if any), and (b) to loan the proceeds of such bonds to the Borrower for these purposes, and specifically authorized the marketing of such bonds; and

WHEREAS, the Authority is now prepared to issue not to exceed $50,000,000 in aggregate principal amount of its Charter School Revenue Bonds (Academies of Math & Science Projects) Series 2026A (the "***Series 2026A Bonds***"), Charter School Revenue Bonds (Academies of Math

& Science Projects) Series 2026B (the "***Series 2026B Bonds***") and Charter School Revenue Bonds (Academies of Math & Science Projects) Taxable Series 2026C (the "***Series 2026C Bonds***" and, collectively with the Series 2026A Bonds and the Series 2026B Bonds, the "***Bonds***") for the purposes stated above; and

WHEREAS, the Series 2026 Facilities are or will be owned by the Borrower and, pursuant to a Master Lease Agreement, to be dated on or after August 1, 2026 (the "***Lease***"), leased to AMS Schools – Arkansas, Inc. (the "***Charter School***"), an Arkansas nonprofit corporation and an organization described in Section 501(c)(3) of the Code, for the operation of two charter schools; and

WHEREAS, the Authority and the Borrower will enter into a Loan Agreement, to be dated on or after August 1, 2026 (the "***Loan Agreement***") pursuant to which the Authority will loan the Bond proceeds to the Borrower under the terms set forth therein, including providing for loan payments by the Borrower of not less than debt service on the Bonds; and

WHEREAS, pursuant to the terms of the Bond Indenture (defined below), all of the Issuer's rights under the Loan Agreement (other than specifically unassigned rights of the Issuer) including the collateral and security interests will be assigned to the Bond Trustee (defined below) for the benefit of the owners of the Bonds; and

WHEREAS, contemporaneous with the issuance of the Bonds, (a) the Borrower and BOKF, NA, as master trustee (the "***Master Trustee***"), will enter into a Master Trust Indenture and Security Agreement, to be dated on or after August 1, 2026, and a Supplemental Master Trust Indenture No. 1, to be dated on or after August 1, 2026 (collectively, the "***Master Indenture***"), both between the Borrower and the Master Trustee, and pursuant to which the Borrower shall deliver its Tax-Exempt Series 2026A Master Indenture Note in the principal amount of the Series 2026A Bonds, its Tax-Exempt Series 2026B Master Indenture Note in the principal amount of the Series 2026B Bonds and its Taxable Series 2026C Master Indenture Note in the principal amount of the Series 2026C Bonds (collectively, the "***Master Notes***") which shall be assigned to the Bond Trustee for the benefit of the owners of the Bonds, and (b) to secure its payment and performance obligations under the Master Indenture and the Master Notes, the Borrower will cause the delivery of (i) a Construction Mortgage with Security Agreement, Assignment of Rents and Leases, and Fixture Filing (Includes Future Advances), with respect to the Fort Smith Facility (defined below), a Mortgage with Security Agreement, Assignment of Rents and Leases, and Fixture Filing, with respect to the Little Rock Facility, and one or more Absolute Assignment of Rents and Leases, with respect to the Lease, each effective as of the date of issuance of the Bonds, each from the Borrower to the Master Trustee and (ii) a Guaranty Agreement, to be dated on or before August 1, 2026, between Academy of Mathematics and Science, Inc. (the "***Guarantor***"), an Arizona nonprofit corporation, and the Master Trustee; and

WHEREAS, the Bonds shall be limited obligations only of the Authority and shall not constitute an indebtedness of the State of Arkansas (the "***State***"), or an indebtedness for which the faith and credit of the State is pledged, but shall be a special obligation payable solely from payments under the Loan Agreement and any other amounts or collateral pledged under the provisions of the documents related to the Bonds; and

WHEREAS, in reliance on and in compliance with the Authority's resolution adopted on May 21, 2026, a Preliminary Limited Offering Memorandum setting forth information concerning the Bonds, the Borrower, AMS National, the Charter School, the Guarantor, the Series 2026 Facilities, and the Authority (the "***Preliminary Limited Offering Memorandum***") has been prepared for use in the marketing of the Bonds to investors; 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 Chair, Vice Chair, President or one or more Vice Presidents, Squire Patton Boggs (US) LLP ("***Bond Counsel***") and Kutak Rock LLP, as Issuer's Counsel ("***Issuer's Counsel***"):

(a) the Preliminary Limited Offering Memorandum; and

(b) a Bond Purchase Agreement (the "***Purchase Agreement***"), to be dated as of its date of execution, among the Authority, Robert W. Baird & Co. Incorporated (the "***Underwriter***"), the Borrower, the Charter School and the Guarantor providing for the purchase of the Bonds; and

(c) a Trust Indenture and Security Agreement, to be dated on or after August 1, 2026 (the "***Bond Indenture***"), between the Issuer and BOKF, NA, as trustee (the "***Bond 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; and

(d) the Loan Agreement.

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 not to exceed $50,000,000 in aggregate principal amount of the Authority's Charter School Revenue Bonds (Academies of Math & Science Projects) Series 2026A, Series 2026B and Taxable Series 2026C (collectively, and as previously defined, the "***Bonds***"). The proceeds of the Bonds will be loaned to the Borrower and used to (a) finance or refinance (including by refunding the Bonds Being Refunded), as applicable, the costs of acquiring, constructing, renovating, improving, equipping and furnishing (i) land and educational facilities to be located at 3510 North Street, Fort Smith, Arkansas 72904 to be used in connection with operation of a charter school known as "Academy of Math & Science - Fort Smith" (the "***Fort Smith Facility***") and (ii) land and educational facilities located at 6423 Stagecoach Road, Little Rock, Arkansas 72204 to continue to be used in connection with operation of a charter school known as "Academy of Math & Science – Little Rock" (the "***Little Rock Facility***" and, together with the Fort Smith Facility, the "***Series 2026 Facilities***"); (b) fund a debt service reserve fund; (c) fund certain interest on the Bonds; and (d) pay certain costs of issuing the Bonds. The Bonds shall bear interest on either a tax-exempt or taxable basis at a rate of not to exceed twelve percent (12%), calculated on the basis of true interest cost (after taking into account original issue discount and premium and Underwriter's discount, but excluding costs of issuing such Bonds). The Bonds shall mature not later than December 31, 2065. The Bonds shall be issued in the forms and denominations of $100,000 and integral multiples of $5,000 in excess thereof, shall be dated, shall be numbered, shall mature, shall bear interest (at a rate or rates) and shall be subject to redemption or tender prior to maturity, all upon the terms and conditions to be set forth in the Bond Indenture (hereinafter authorized) securing the Bonds. The Bonds are hereby approved in substantially the forms contained in the Bond Indenture submitted to this meeting, and the Chair and the President are hereby authorized and directed to execute and deliver the Bonds in substantially the forms submitted to this meeting with such changes as shall be approved by such persons executing the Bonds, their execution to constitute conclusive evidence of such approval, and to cause the Bonds to be authenticated by the Bond Trustee.

Section 2. In reliance on and in compliance with the Authority's resolution adopted on May 21, 2026, the Preliminary Limited Offering Memorandum was prepared to be used by the Underwriter in the marketing of the Bonds to investors, and the President and the Chair are hereby authorized to review and approve the Preliminary Limited Offering Memorandum, which, if applicable, shall be a final official statement, as such term is defined in the Rule 15c2-12 under the Securities Exchange Act of 1934, 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. The Underwriter, upon final approval of the President and/or the Chair of the Authority, is authorized to rely upon and to use the Preliminary Limited Offering Memorandum to market the Bonds to potential purchasers. The distribution of the Preliminary Limited Offering Memorandum in marketing the Bonds is hereby approved. There be, and there is hereby, authorized the distribution to various prospective and actual purchasers of the Bonds a final Limited Offering Memorandum in the name of the Authority, describing Bonds, the Borrower, AMS National, the Charter School, the Guarantor, the Series 2026 Facilities, and the Authority, and setting forth such other information as may be determined to be necessary or desirable by the purchasers. The President or the Chair is authorized to execute such Limited Offering Memorandum on behalf of the Authority and to confer with the Underwriter in order to complete the Limited Offering Memorandum in substantially the form of the Preliminary Limited Offering Memorandum submitted to this meeting with such changes as shall be approved by such person executing the document, with his execution to constitute conclusive evidence of such approval.

Section 3. To prescribe the terms and conditions upon which the Bonds are to be sold and purchased, the Chair, Vice Chair, President or any Vice President of the Issuer are hereby authorized and directed, upon confirmation of the Borrower's and the Charter School's acceptance or approval of the purchase price of the Bonds, to execute the Purchase Agreement. The Purchase Agreement is hereby approved in substantially the form submitted to this meeting, and the Chair, Vice Chair, President or any Vice President of the Issuer are hereby authorized to confer with the Borrower, the Underwriter and Issuer's Counsel in order to complete the Purchase Agreement 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 4. To prescribe the terms and conditions upon which the Bonds are to be executed, authenticated, issued, accepted, held and secured, the Chair, Vice Chair, President or any Vice President of the Authority are hereby authorized and directed to execute and acknowledge the Bond Indenture. Any officer of the Authority is hereby authorized and directed to cause the Bond Indenture to be accepted, executed and acknowledged by the Bond Trustee. The Bond Indenture is hereby approved in substantially the form submitted to this meeting, and the President and any Vice President of the Authority are hereby authorized to confer with Bond Counsel, Issuer's Counsel, the Bond Trustee, the Charter School and the Borrower in order to complete the Bond 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 5. There be, and there is hereby authorized the execution and delivery of the Loan Agreement by and between the Issuer and the Borrower providing for the financing and refinancing, as applicable, of the Series 2026 Facilities, and the Chair, Vice Chair, 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 Chair, Vice Chair, President or any Vice President of the Issuer are hereby authorized to confer with the Borrower, the Charter School, Issuer's Counsel, 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 Master Notes from the Borrower to the Issuer as security for the obligations of the Borrower under the Loan Agreement. The assignment of the Loan Agreement and the Master Notes to the Bond Trustee as security for the Bonds is hereby authorized.

Section 6. The Chair, Vice Chair, President or any Vice President of the Authority, for and on behalf of the Authority, be, and they are hereby, authorized and directed to do any and all things necessary to effect the execution and delivery of the Bond Indenture, the Purchase Agreement and the Loan Agreement by the Authority, the performance of any obligations of the Authority under and pursuant to the Bond Indenture, the Purchase Agreement and the Loan Agreement, the issuance, execution, sale and delivery of the Bonds, and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred by this Resolution. That the Chair, Vice Chair, President or any Vice President of the Authority be, and they are hereby, further authorized and directed, for and on behalf of the Authority, 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.

Section 7. The action of the President of the Authority, or his designee, in giving notice of public hearings and conducting such hearings regarding the issuance of the Bonds in compliance with the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended, and the Arkansas Revenue Bond Act, Act No. 852 of the 1987 Acts of the General Assembly of Arkansas is hereby ratified and confirmed.

Section 8. 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 Bond Indenture, the Loan Agreement, and the Purchase Agreement, and such documents shall be on file for inspection by any interested person.

Section 9. No recourse under or upon any statement contained in this Resolution, or in any Bond, or in any document that may be executed by the Issuer in connection with the issuance of the Bonds (the "***Issuer Documents***"), or under any judgment obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise, or under any circumstances, shall be had against any employee, officer, or board member, past, present, or future, of the Issuer, either directly or through the Issuer, or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to any holder of any Bond, or otherwise, of any sum that may be due and unpaid by the Borrower upon any of the Bonds. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, as such, to respond by reason of any act or omission on his or her part, or otherwise, for, directly or indirectly, the payment for or to the Issuer or any receiver thereof, or for or to the owner or any holder of any Bond, or otherwise, of any sum that may remain due and unpaid upon any Bond, shall be deemed to be expressly waived and released as a condition of and consideration for the execution and delivery of the Issuer Documents and the issuance of the Bonds. The Issuer is a public instrumentality of the State of Arkansas, and as such, asserts all sovereign immunity rights under Article 5, § 20 of the Arkansas Constitution of 1874, as amended.

Section 10. For purposes of Arkansas Code Annotated §§ 16-115-101 *et seq.*, the President of the Authority is hereby designated as the executive officer with the responsibility to confirm and effect the Authority's compliance with the performance of the Authority's obligations and duties pursuant to this Resolution, the Act, the Purchase Agreement, the Bond Indenture, the Bonds, the Loan Agreement, and all Issuer Documents, papers, documents, certificates and other instruments ancillary and/or related to the purposes set forth therein or herein.

Section 11. 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 12. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 13. This Resolution shall be in force and effect immediately upon and after its passage.

APPROVED: July 16, 2026

APPROVED:

By: ________________________________
Rod Coleman, Chair

ATTEST:

By: ____________________________________
Robert Arrington, President/Secretary

TAB 6

Memo

To: The Board of Directors of the Arkansas Development Finance Authority
From: Jake Bleed, General Counsel
Date: July 7, 2026
Re: Updated Employee Handbook

JB

The purpose of this memo is to summarize proposed changes to be made to the ADFA Employee Handbook and request the approval of the Board to implement these changes.

In October 2025, the Board adopted an updated draft of the ADFA Employee Handbook to reflect changes adopted with the passage of Act 944 of 2025. Those changes were necessary with the additional flexibility and independence created by the Act for ADFA. Since that time, several issues have occurred which require amendments to the handbook. These are as follows:

- Updated travel reimbursement rules which authorize the payment of per diem and mileage amounts in line with those authorized by the Federal General Services Administration. These rules would replace the current process of reimbursement for eligible expenses, which was administratively burdensome and not reflective of costs imposed on employees who travel on behalf of ADFA;
- Adoption of Catastrophic Leave policies for ADFA employees. The State offers paid and unpaid leave in the event of certain circumstances, including the onset of prolonged illness, maternity or the death of an immediate family member. The proposed changes would bring ADFA in line with state policy;
- Additional changes which document or detail policies which were in effect but not reflected in the previous handbook or were vague or poorly described.

The updated Handbook is presented as part of an annual process of review and improvement ADFA hopes to adopt as a matter of process and habit. With the approval of the board of these changes, ADFA plans to train and update staff on existing and new policies as reflected in this handbook.

Employee Handbook

&

Code of Ethics

~~January 2026~~July 2026

Introduction

The Arkansas Development Finance Authority (ADFA) is dedicated to providing affordable financing for the housing, economic, agricultural and governmental needs of the people of Arkansas. ADFA accomplishes this in part through the commitment and professionalism of its staff. The purpose of this handbook is to guide ADFA employees in succeeding as professionals while upholding and improving our culture of accountability and success.

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1.0 Code of Ethics and Employee Conduct

The standards listed below are the minimum expected of ADFA employees. These standards are not exhaustive and are in addition to any other applicable standards and requirements, including laws, regulations, rules, judicial and administrative decisions, and department interpretations, which may apply. A violation of any of these could result in disciplinary action pursuant to the ADFA disciplinary policy. This policy manual is intended to replace previously issued handbooks or personnel policies of the ADFA.

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1.1 Code of Ethics

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ADFA employees are expected to uphold a culture of ethical and efficient service to our customers, the Board and the State. ADFA employees have a core responsibility to aid in preventing fraud and support ADFA's culture of honesty and ethical behavior.

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ADFA will not condone employee conduct that either violates or has the appearance of violating the law, including the ethical provisions established here or in law. ADFA employees must review the Code of Ethics and sign an annual acknowledgment affirming they received a copy and reviewed it.

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ADFA employees and members of the ADFA Board of Directors must comply with rules promulgated under the Arkansas Ethics Commission dealing with gifts (21 CAR § 1-101 et seq.) and conflicts of interest (21 CAR § 2-101 et seq).

1.2 Computer Access Confidentiality and Confidentiality of ADFA information

In the course of your work, you may have access to information that is confidential to ADFA or to an individual employee, private individual or department. Unauthorized use or disclosure of confidential information may result in discipline up to and including termination of employment. Violation of employee confidentiality may also create civil or criminal liability.

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Information within the custody of ADFA should only be accessed by employees who are acting in their official functions. Information gained through employment at ADFA should not be divulged outside of official functions. Employees should

not provide passwords, usernames and other security credentials, or otherwise provide outside access to ADFA information and resources, unless required to do so as an official function. Employees are responsible for immediately reporting any breach of confidentiality or unauthorized access to ADFA resources.

1.3 Email and Other Platforms

ADFA employees should only use their ADFA email accounts and other communication platforms for work-related purposes. Employees shall have no expectation of privacy in anything they store, send, or receive on ADFA's system. Employees must use extreme caution when opening email attachments or clicking on any links contained in the email. In addition, ADFA employees shall not use ADFA email addresses and associated passwords to register for any personal online accounts. Sending personal emails using the ADFA email address should be kept to a minimum, understanding that any email sent on the employer's network may be considered public information.

When conducting calls or meetings using web conference platforms, such as Microsoft Teams, employees are expected to present themselves professionally. Unless circumstances dictate otherwise, employees should appear with their camera on and their full name displayed. This applies to all meetings whether an employee is on-site or working remotely.

1.4 Internet, Email, and General Computer Acceptable Use

ADFA employees may access, use, or share ADFA information only to the extent it is authorized and necessary to fulfill their assigned job duties. ADFA employees have no reasonable expectation of privacy when using ADFA devices or systems. ADFA reserves the right to monitor and log all ADFA equipment, systems, and network traffic without notice, including monitoring files, email, and website usage. Excessive use of ADFA internet, email or other platforms for personal purposes is prohibited and may result in disciplinary action up to and including termination.

1.5 Job Performance and Performance Evaluations

Employees are expected to perform their job duties competently and produce a high- quality work product. Supervisors should timely address any performance issues with employees. Employees are encouraged to initiate conversations with their supervisors if additional feedback is needed.

1.6 Performance Evaluations

Formal performance evaluations are conducted annually. These reviews include a written performance document and a discussion between the employee and the supervisor about job performance and expectations for the coming year. ~~Employees~~

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~~who received a written disciplinary action during the rating period will not be eligible for a merit increase.~~

Professionalism

ADFA employees are expected to perform their duties in a professional manner consistent with the standards of their job, work in a cooperative manner with their coworkers and supervisors, and generally support a positive, cooperative work culture. Inappropriate behavior, including foul language and yelling, will not be tolerated. All forms of communication, including emails and messages on platforms such as Microsoft Teams, should remain professional. Personal opinions, beliefs, political statements and informal content such as memes, gifs, or links unrelated to work are not appropriate.

Failure to perform official duties in a professionally appropriate manner will result in disciplinary action up to and including termination.

1.7 Social Media

ADFA employees will avoid using personal social media while working. No ADFA computers, phones or information technology should be used to check, update or otherwise use personal social media.

When using social media, ADFA employees shall not expressly or implicitly attribute personal statements, opinions, or beliefs to ADFA. If an employee expresses their beliefs or opinions, they must not, expressly~~,~~ or implicitly, represent themselves as an employee or representative of ADFA. Employees may not use trademarks, logos, or other ADFA intellectual property connected with any social media activity. Employees are strongly encouraged to be judicious and discreet in any social media activity related in any way to their employment at ADFA.

1.8 Conflicts of Interest

Employees must perform their duties in an ethical manner. Employees must not use their position or knowledge gained from their position for private or personal advantage of any kind. If an employee becomes involved in a situation that could be considered a prohibited activity, the employee should immediately communicate in writing all the facts to his or her immediate supervisor.

At no point during an employee's time working for ADFA or service on the ADFA board, and for one year following separation from ADFA or the ADFA Board, may an individual:

- Exercise or have exercised any functions or responsibilities with respect to activities assisted with ADFA funds outside of their official functions as an ADFA employee;
- Solicit or seek to gain inside information with regard to a project overseen by

ADFA for the purpose of acting outside of official functions as an ADFA employee;

- Obtain or seek to obtain a personal financial interest or benefit from a project overseen by ADFA.

The ADFA Board, upon written request, may grant an exception to the provisions of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of ADFA allocated funds and the effective and efficient administration of the program or project. An exception may be considered only after the participant has:

- Disclosed the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
- An opinion as to how the interest for which the exception is sought will not violate State or local law.
- No waivers under this section will be granted unlessapproved by the ADFA Board in a public meeting.

~~1.9 Restriction on Gifts~~

~~ADFA employee or board member should never accept any gift or compensation of any amount in direct exchange for the performance of the duties and responsibilities of his or her office or position, i.e., the giving of a gift for specific action. For purposes of this section, a gift is defined under the Code of Arkansas Rules 21 CAR § 1-101(2)9A).~~

~~1.10~~1.9 ~~Obligation to m~~Maintenance of A~~a~~ccurate R~~r~~ecords and C~~c~~ommunication

The books and records of ADFA must -reflect accurate and timely ~~recording~~ information on~~f~~ all business transactions. Full disclosure of assets, liabilities, receipts, and disbursements must be made. Employees cannot ~~make any false record or communication or~~ engage in false or misleading communication with the intent of falsifying an ADFA record. This includes providing:

- False expense, attendance, production, financial, or similar reports and statements; or
- False advertising, deceptive marketing practices, or other misleading representations.

2.0 Employment-at-Will

ADFA is an At-Will Employer and an ADFA employee may be terminated with or without cause ~~if~~ so long as the termination is not for an illegal reason. The employer and the employee can both terminate employment without cause or notice. Nothing in this handbook or any other document, policy, or procedure used by ADFA

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Formatted: Left, Indent: Left: 0", First line: 0", Space Before: 6 pt, After: 6 pt, Tab stops: Not at 1.13" + 1.13" creates an expressed or implied right or expectation of continued employment or contract.

2.1 Equal Employment Opportunity

ADFA will not discriminate in providing access to employment opportunities or practices on the basis of race, color, religion, sex, national origin, age, disability, or genetic information. Individuals are hired based on their qualifications for each position. Discrimination, harassment, or retaliation by any employee shall constitute grounds for disciplinary action.

Hiring of relatives is not encouraged. Relatives will not be permitted to work in any capacity where one relative might supervise another, including participating in decisions involving hiring, promoting, salary increases, or other personnel-related matters of interest to a relative.

Employment Categories ~~*(Classified Employees Only)*~~

Probationary Period The first six (6) months of employment are considered a probationary period. This period may be extended no more than additional three (3) months by the supervisor. This period allows time for an employee to learn his or her job and for the supervisor to evaluate the employee's ability to do their job. All newly hired employees must successfully complete their probationary period to become regular employees.

Employees promoted, demoted, or otherwise assigned to new positions may be placed on a six (6) month probationary period at the discretion of the supervisor. Employees are not eligible for performance based bonuses or salary increases during their probationary period unless approved by the ADFA President.

Regular Employees Employees who successfully complete their probationary period will become regular employees. Employees who are normally scheduled to work eighty (80) hours per pay period on a regular basis are considered full-time employees and are entitled to all benefits described in this reference guide.

Part-Time Employees Part-time employees are those who are scheduled to work less than eighty (80) hours per pay period. Part-time employees are entitled to the same benefits and privileges as full-time employees generally if they work one thousand (1,000) hours annually or more. Benefits such as annual leave are earned at a rate proportionally equal to the time worked.

Extra Help Employees Extra help employees are those employees who work one thousand (1,000) hours or less per year and receive no benefits except holiday pay if they are in Extra Help pay status before and after the holiday. Extra help employees are entitled to no benefits other than as specifically noted herein.

Contract Assistance Persons on contract with ADFA through a temporary agency or other outside contracting firm are not considered employees of ADFA and are not entitled to benefits unless otherwise negotiated by the contractor in advance of employment.

2.2 Traveling on behalf of ADFA

ADFA employees may be required to travel on official business. Employees planning to attend a meeting, seminar, or conference should obtain approval of his/her supervisor. Any ADFA sponsored meeting or conference must be pre-approved by the President.~~If travel is required of an ADFA employee, the employee must obtain written prior approval of the travel from the employee's manager.~~

2~~3~~.3~~4~~ Travel Reimbursement

Employees must obtain approval from supervisors prior to scheduling or incurring expenses related to travel on behalf of ADFA.

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Employees approved to travel on behalf of ADFA will receive a minimum reimbursement at the sum of the daily lodging rate and meals and incidental expenses rate authorized by the Federal Travel Directory published by the United States General Services Administration for the nearest applicable destination city. Additional reimbursement for lodging or unforeseen expenses may be approved by the ADFA president.

For purposes of this policy, travel day is defined as any day in which an individual works in a location outside the state of Arkansas or engages in travel, including traveling to or from an airport. Travel to be paid with federal funds must conform to applicable federal travel regulations which may differ from those of ADFA.

~~Employees will be reimbursed for any approved travel, meals, lodging, and miscellaneous expense at the rate determined by ADFA. Except as approved by the President, ADFA will reimburse travel expenses in compliance with the Arkansas State Financial Management Guide. Except as approved by the President, reimbursement for meals and lodging while traveling on official business of the State shall not exceed the maximum rates as prescribed by the Federal Travel Directory published by the United States General Services Administration.~~

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~~All requests for reimbursement shall be reasonable, true, and accurate. Reimbursement will only be provided for expenses reasonably incurred while traveling in support of ADFA's mission. Reimbursement for meal expenses is limited to those expenses incurred during overnight travel.~~

~~Meals are reimbursed for the individual employee submitting the reimbursement request. Only the ADFA's President can pay for meals where the cost includes other staff and/or guests. Tips other than as noted for meals are not allowed.~~

~~Tipping will be reimbursed at no more than 20 percent of the total meal or travel cost.~~

~~Reimbursement for alcoholic beverages is prohibited and an ADFA travel supervisor may deny any request for reimbursement which is not reasonable under the circumstances.~~

2.~~4~~5 Vehicle Us~~e~~age

All ADFA employees operating a vehicle while carrying out ADFA business shall follow the state and local traffic laws. Any accident or traffic violation that occurs while operating an ADFA vehicle for official business must be reported as soon as possible, but no later than within 24 hours. ADFA employees driving a personal vehicle on ADFA business are required to have a valid driver's license and have automobile property and liability insurance and shall follow the state and local traffic laws.

Use of a personal vehicle while traveling on ADFA business will be reimbursed at a per mile rate as determined by the U.S. General Services Administration.

3.0 Working Hours and Breaks and Visiting Family Members

Normal business hours of operation for most ADFA employees are from 8:00 a.m. until 4:30 p.m., Monday through Friday. The normal workday for full-time employees is eight (8) hours. Divisions or offices operating on a 24-hour basis or other work hours are responsible for setting effective schedules.

Normal working hours may be modified as necessary to facilitate efficient business operations. When additional work requirements are necessary, cooperation of all employees is expected. Work breaks are granted only at each supervisor's discretion. Breaks are a privilege and should not interfere with work schedules or deadlines.

Personal calls should be limited to breaks, absent an emergency, and kept as brief as possible.

Schedules which require employees to work outside of normal hours on an ongoing or permanent basis require the written approval of the President.

ADFA is a family-friendly employer and children of employees are welcome in the office on an as-needed basis or a matter of convenience. Employees who bring their children to the office are expected to perform their duties regardless, and children or family members must not be disruptive or interfere with the operations of the Authority. Children will be allowed within the office only as a matter of temporary convenience and employees should avoid bringing family members on a regular or semi-regular basis.

4.0 Disciplinary Policy

ADFA does not have a progressive discipline policy. Supervisors are responsible for determining the appropriate level of discipline for a specific handbook violation, ADFA policy violation, or any other action that requires discipline. Supervisors should consider all facts and mitigating or aggravating circumstances surrounding the violation in deciding the level of discipline and should consult with ADFA Human Resources

Administrator as needed.

As a general rule, failure to follow any of the policies described herein or the direct order of your supervisor may result in disciplinary action up to and including termination.

4.0 Possession of a Weapon

ADFA is committed to providing a safe environment for employees and visitors while respecting the right of individuals who are concealed-carry licensees with the enhanced endorsement as permitted by Arkansas law. Except as permitted by law, including, but not limited to, Arkansas Code Annotated Section 5-73-322(g), possession, discharge, or other use of weapons on any grounds, buildings, or vehicles owned or operated by ADFA is strictly prohibited. Furthermore, storing any weapon, including handguns, is prohibited, except that a concealed handgun may be stored in a licensee's locked and unattended motor vehicle. Under no circumstances will weapons be permitted in disciplinary meetings unless a law enforcement officer controls the weapon.

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4.1 Commitment to Safety

ADFA is committed to providing a safe, violence-free workplace for our employees. As such, ADFA employees shall not engage in any physical confrontation with an individual or behave in a threatening or violent manner. ADFA will not tolerate threats, threatening language, or any other acts of aggression or violence made toward or by any ADFA employee. A threat may include any verbal or physical harassment or abuse, attempts to intimidate others, menacing gestures, stalking, or any other hostile, aggressive, or destructive actions taken for intimidation. If an employee has issues with a supervisor or manager, it should be addressed with management, through the chain of command, or directly with the ADFA General Counsel.

This guidance covers any behavior in the workplace, at ADFA-sponsored functions or while serving as a representative of the ADFA. Any employee who witnesses or is the recipient of violent or threatening behavior should promptly inform their supervisor or division director. All threats will be investigated, and appropriate action will be taken. No employee will be subject to retaliation, intimidation, or discipline because of reporting a threat in good faith.

4.2 Personal Appearance/Dress Code

Employees should use good judgment and discretion in their dress and appearance while maintaining good hygiene. Personal appearance shall be appropriate to the job assignment and location. ADFA employees should dress appropriately for all occasions at which they appear on behalf of ADFA. This includes a more-formal appearance when meeting with members of the Board, legislators, representatives of potential clients or others. Employees should direct any questions about the dress code to their supervisor. Men appearing before the Board should appear in dress jacket and tie.

Sneakers or tennis shoes should not be worn while working on official business unless expressly authorized by the President.

4.3 Political Activity

ADFA employees will not engage in partisan political activities during working hours. Employees are not to endorse candidates, including the Governor, in their official capacity as employees of ADFA. ADFA employees should likewise refrain from using any campaign literature (including bumper stickers) on personal vehicles when using these vehicles to perform official duties.

4.4 Public Information

ADFA employees shall fully comply with Arkansas Freedom of Information Act, Arkansas Annotated Section 25-1-101 et seq. ADFA employees should presume that any work-related documents, reports, notes, communications, emails, photographs, or recordings in any format are subject to public disclosure under FOIA, regardless of whether the record was made or stored on an ADFA-issued or personal device. Any employee who receives a request for public records should immediately notify the ADFA General Counsel.

5.0 Annual Leave and Accrual

Each regular or probationary employee earns annual leave with full-pay based on the below schedule for each completed month of service. Employees who work less than full-time per year accrue annual leave in the same proportion as time worked. For example, part-time employees will receive their annual leave in proportion to time worked.

Extra-help employees are not eligible to accrue annual leave.

Years of Service	Accrual Per Month	Amount Per Year
0-3 years	8 hours	12 days per year
4-5 years	10 hours	15 days per year
6-12 years	12 hours	18 days per year
13-20 years	14 hours	21 days per year
20+ years	15 hours	22 ½ days per year

Annual leave can only be taken with the prior approval of the supervisor. Annual leave is granted based on workdays, not calendar days. Non-workdays, such as holidays and weekends, are not charged as annual leave. Whenever an employee terminates employment, their accumulated annual, holiday and birthday leave as of their last working day is liquidated in a lump-sum payment, not to exceed 30 working days (a combined total of 240 hours including annual, holiday, and birthday leave).

5.1 Attendance and Tardiness

Employees are expected to be at the employee's work area by the start of the work day. Employees should contact the employee's supervisor for information on how to request leave, requirements for reporting tardiness and absences, and other attendance-related issues.

Repeated failure to report to work by the required time at the start of each work day should result in disciplinary action up to and including termination. ADFA reserves the right to review attendance and tardiness as well as requests for sick leave, to determine whether a pattern of abuse exists. Leave abuse of this nature could result in disciplinary action or termination

5.2 Children's Educational Activities Leave

ADFA employees are entitled to eight (8) hours of Children's Educational Leave (CEAL) in one calendar year to participate in any school-sponsored educational activity regardless of the number of children. This includes engaging in and traveling to or from the educational activities of a child. The children must be enrolled in a pre-kindergarten program through grade 12. CEAL leave unused during a calendar year is not carried forward to the next year, nor is it payable at termination.

5.3 Court and Jury Leave

An employee serving as a juror or subpoenaed as a witness to give a deposition or testimony in a court or hearing, not involving personal litigation or service as a paid expert witness outside the scope of official employment, is entitled to full compensation in addition to any fees paid for such services. Such services or necessary appearances in any court shall not be counted as annual leave.

5.4 Family and Medical Leave Act

Family Medical Leave Act (FMLA) requires all public agencies to provide up to twelve weeks of unpaid, job-protected leave to eligible employees for certain family and medical reasons. To be eligible for FMLA leave, an employee must have worked at least 1,250 hours in the twelve (12) months preceding the commencement of FMLA and meet one (1) of the following qualifying reasons for leave:

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- A serious health condition that makes the employee unable to perform the functions of the job
- Any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a military member on covered active duty
- The birth or placement of a son or daughter, to bond with a newborn or newly placed son or daughter, or to care for a son or daughter with a serious health condition
- The care of the employee's spouse, son or daughter, or parent with a serious health condition

To care for a covered service member with a serious injury or illness if the employee is the spouse, son, daughter, parent, or next of kin of the service member (military caregiver leave)

In the case of birth or adoption, eligibility for FMLA leave shall expire at the end of the twelve (12) months beginning on the date of a child's birth or placement.

5.5 Leave Accruals

Leave accrued during a calendar month is not earned by an active employee until the last working day of the month. Leave is available for the employee to use beginning the first day of the month following when the leave was earned. Leave must be earned before it can be used. Employees earn annual and sick leave at the standard accrual rate when on paid leave. An employee will not earn leave when in leave-without-pay (LWOP) status for ten (10) or more cumulative days (80 hours) within a calendar month. This includes annual, sick, holiday, and birthday leave. The annual leave lost due to the LWOP is based on the accrual rate authorized for that employee.

5.6 Leave Without Pay

An employee who has exhausted all accrued leave, and must be off work, may request to receive Leave Without Pay (LWOP). LWOP should only be requested in rare circumstances, and requests should be submitted in advance of the leave or as soon as practicable. The ADFA President must approve in writing all requests for LWOP. Employees must exhaust all accrued leave before using LWOP. An employee on unapproved LWOP may be subject to disciplinary action, including termination.

An employee on LWOP may continue to participate in agency group insurance programs to which ADFA contributes. The employee would be responsible for paying the total cost directly to EBD. ADFA will pay the employer's matching portion of LWOP covered under FMLA, Military Leave, or Workers' Compensation.

5.7 Maternity Leave

An eligible employee may request leave to receive up to twenty-four (24) consecutive weeks of paid maternity leave. If an employee is eligible for both catastrophic leave for maternity purposes and FMLA, the two will run concurrently.

An employee who is ineligible for catastrophic maternity leave may request to use accrued sick or annual leave for maternity leave but is not required to exhaust all accrued leave before using LWOP for maternity purposes.

5.9 Military Leave

Military leave may only be used by active members of the United States Armed Forces, which include: the United States Marine Corps, United States Army, United States Navy, United States Air Force, Arkansas National Guard, and all reserve branches of the armed forces. Military leave may be granted only with the approval of the ADFA President.

5.10 Right to Vote

Employees may be granted paid leave to exercise their right to vote in an amount not to exceed one hour per election.

5.11 Sick Leave

Regular, full-time employees will accrue eight (8) hours of sick leave per month. Employees working less than full-time will accrue sick leave in the same proportion as the time worked. Sick leave may only be used for the following purposes:

- Death or severe illness of an immediate family member. Immediate family is defined as the father, mother, sister, brother, spouse, child, grandparents, grandchild, in-laws, or any individual acting as a parent or guardian of an individual;
- When the employee cannot work because of sickness or injury or for medical, dental, or optical treatment;

Sick leave should be requested in advance; however, if the illness makes advance notice impossible, an employee must notify their supervisor before starting the workday on the first day of the employee's absence. A request for sick leave must be submitted within two (2) days after returning to work.

An ADFA employee on sick leave for five (5) or more consecutive days should provide written confirmation of the illness from an attending physician. ADFA may require a doctor's note for any suspected abuse of sick leave or any pattern of sick leave usage.

Employees are not entitled to payment for accrued and unused sick leave when terminated from employment at ADFA.

5.12 Catastrophic & Bereavement Leave

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An employee of ADFA who has been employed for more than one year may be eligible for paid catastrophic leave due to illness, maternity or the death of an immediate family member.

Employees who had at least eighty (80) hours combined sick and annual leave and have exhausted all such leave may request catastrophic leave in event of illness or impairment. An employee who qualifies for Catastrophic leave as a result of illness is entitled to no more than 1,040 hours of leave in a five-year period.

Employees who are female may apply for catastrophic leave for the birth or adoption of a child under one (1) year of age. Upon the approval of the President, eligible employees may receive up to twelve (12) weeks of paid maternity leave.

Employees who suffer the loss of an immediate family member as defined under

Arkansas Code Annotated Section 21-4-214(c)(2)(A) may be eligible for up to forty (40) hours Bereavement Leave per calendar year at the approval of the President.

For purposes of application and guidance, policies on Catastrophic Leave will follow terms and policies established under Arkansas Code Annotated Section 21-4-214 et seq.

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~~5.12~~5.13 Holidays

The following are the official holidays applicable to ADFA employees:

- New Year's Day (January 1st)
- Dr. Martin Luther King Jr. Birthday
- George Washington's Birthday & Daisy Gatson Bates Day (3rd Monday in February)
- Memorial Day (Last Monday in May)
- Independence Day (July 4th)
- Labor Day (1st Monday in September)
- Veterans Day (November 11th)
- Thanksgiving Day (4th Thursday in November)
- Christmas Eve (December 24th)
- Christmas Day (December 25th)

To be eligible for holiday pay, the employee must be in pay status at least 15 minutes the last scheduled workday before the holiday and at least 15 minutes the first scheduled workday after the holiday. When a holiday occurs while an employee is on annual or sick leave, that day is charged as a holiday and will not be charged against the employee's accrued leave.

Employees who work on a holiday will accrue the holiday leave for later use.

When a holiday occurs on Saturday, the holiday will be observed on the preceding Friday. Holidays falling on a Sunday will be observed on the following Monday

The ADFA President may proclaim additional days when ADFA offices are to be closed.

Birthday leave is earned when the employee's birthday occurs on a normally occurring work day.~~. Holiday and birthday leave never expire and are carried forward each yearWhen an employee terminates employment, holiday and birthday leave are included with unused annual leave and paid out as a lump sum not to exceed 240 hours.~~

~~5.8~~ 5.14 Year-End Balance

A set amount of accrued unused leave will carry over to the following calendar year. Accrued leave may exceed the year-end carry forward balance limits during the calendar year, but the hours above these limits will be forfeited if not used by December 31st of each year.

- Maximum annual leave that is carried forward is 240 hours (30 days)
- Maximum sick leave that is carried forward is 960 hours (120 days)

5.15 Payment of Unused Leave balances upon separation or retirement

Unused annual, holiday and birthday leave will be paid out to employees upon termination or retirement in an amount not to exceed a total of 240 hours.

Employees who are eligible for retirement with the Arkansas Public Employment Retirement System will receive a payout equal to half of the total unused sick time available at the time of retirement with a maximum pay out of $10,000.

5.16 Career Service Payments

Eligible employees may be awarded annual lump sum career service recognition payments on the next regularly scheduled pay cycle after the completion of state service according to the following schedule:

Years of Service	Amount of Recognition Payment
10 – 14 Years	$800
15 – 19 Years	$1,000
20 – 24 Years	$1,200
25 or more years	$1,500

To receive the full amount of the recognition payment, the service must have been in regular full-time positions. Employees who work part-time in regular salary positions may receive annual career service recognition payments on a pro rata basis.

Authorized leave without pay and leave for military service when veteran's reemployment rights are exercised will not preclude an employee from being eligible for the career service payment.

5.17 Office Hours, Remote Work and Inclement Weather

ADFA is a public entity and will maintain office hours which are open to the public and occur between 8 am and 5 pm Monday through Friday.

Remote work is defined as an agreement between the ADFA and an employee to perform official duties outside of official ADFA offices on a regular or recuring basis. The President may approve remote work on a short-term basis only upon a finding that an employee's duties cannot reasonably be carried out in-office during typical office hours.

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Employees may be assigned to work in locations other than the ADFA office, such as those traveling regularly as representatives of the ADFA or traveling on ADFA business.

In the event of inclement weather, the President may close ADFA offices or otherwise limit ADFA office hours as needed. Employees of the ADFA are expected to use caution and good judgment in traveling to and from the ADFA during times of inclement weather and may be required to work remotely when inclement weather is anticipated.

Conclusion

The ADFA Employee Handbook & Code of Ethics establishes the personnel policies, procedures, benefits, and standards of conduct that govern employment with ADFA. However, this handbook is not all-inclusive. In the event of a conflict between a provision of this Handbook and applicable law or ADFA-approved policy, the provisions of that law or policy shall govern.

Attachment A: Employee Attestation and Acknowledgment

Upon hiring, and annually as may be required, all ADFA employees will sign and date the following statement:

I understand that Arkansas is an "employment at will" state, and an employee may be terminated for any reason or no reason at all. Nothing in this Handbook or any other document, policy, or procedure used by ADFA shall be held or construed to create a promise of employment, a promise of future benefits, or a binding contract between ADFA and its employees, retirees, or their dependents, for benefits or any other purpose.

I acknowledge that I know where to find the electronic copy of the ADFA Employee Handbook and ADFA policies.

I understand that I am expected to read the Handbook in its entirety and consult with my supervisor or the ADFA General Counsel regarding any questions about the information. This Handbook may be altered, modified, or rescinded, and the ADFA Secretary may issue a revised copy, new policies, or both at any time. As this Handbook or policies are written or changed, the updated information takes precedence over prior editions of this handbook. Employees are responsible for consulting policies of the ADFA as needed.

I accept the terms and understand that it is my responsibility to comply with the policies contained in this Handbook and any revisions made to it. I understand that I may be subject to disciplinary action, including immediate termination, for violating any provision of this Handbook or the ADFA policy.

I will sign this Acknowledgment of Receipt and return it to the ADFA Human Resources Administrator within ten (10) business days of receipt of this Handbook. I understand that this form will be retained in my personnel file.

______________________________________ ______________

Employee Signature Date

____

Employee Printed Name

TAB 7

PRESIDENT

ADFA
ARKANSAS DEVELOPMENT FINANCE AUTHORITY

Memorandum

To:	ADFA Board of Directors
From:	Ro Arrington
Date:	July 7, 2026
Subject:	President's Report

- This month, we began onboarding our new IT desk support vendor and consultant, Ascend Technologies LLC. They are located here and in Chicago and were selected through a competitive procurement process. We expect them to be fully in place by early fall. Under this contract, Ascend will help us with our basic IT needs and desk support as well as provide strategic consulting services to help improve our use of technology now and in the future.

- ADFA continues to make progress on staffing and adding depth in areas where it is needed, including Federal Housing Programs, Multi-Family Compliance, Servicing, and Finance and Administration. I look forward to introducing them to the board at the appropriate time.

- Lender training is a core part of Ginger Burton Duncan's role as Director of Single-Family Outreach, and she continues to do excellent, boots on the groundwork in this area. Recent trainings have included Arvest Bank, Cadence Bank, and Bank OZK. On June 23, Derrick and I had the chance to join Ginger for a meeting with Bank OZK's senior mortgage staff. They are eager to grow their participation in our programs.

- Derrick created and launched his first Meta/Facebook advertising campaign for ADFA, using $50,000 in grant funds he applied for and received from the Federal Home Loan Bank of Dallas's State Housing Finance Agency Education Grant. The campaign went live on Monday, June 29, and in its first week has generated 26,141 impressions and 477 clicks to our website at homeloans.arkansas.gov. Early performance is strong, and we will continue monitoring results closely.

- Between now and our July board meeting, I will be traveling to the National Council of State Housing Agencies Executive Directors Conference in Denver, Colorado. My goal is to learn what other states are doing well and identify new ideas that could be introduced at ADFA where they fit. I look forward to sharing key takeaways with the board following the conference.

FISCAL

ADFA
ARKANSAS DEVELOPMENT FINANCE AUTHORITY

Memorandum

TO: **ADFA Board of Directors**
FROM: **Kristy Cunningham, CFO** KC
DATE: **July 7, 2026**
RE: **July 2026 Board Meeting CFO Report**

We will present the March 2026 quarterly financial presentation at the Operations Committee meeting.

I have attached the unaudited financial statements for the months ended March 31, 2026. The March 2026 Statement of Revenues, Expenses, and Changes in Fund Balance (income statement) reflects nine months of activity for FY26 (ending June 30, 2026). Actual combined revenues over expenses (includes venture capital programs, excludes inter-agency programs) is a net loss of $1,720,544. The net loss (after transfers) is due to the one-time transfer of the NSP loans and program income to AEDC.

Note: The federal financial assistance "net" (revenues minus expenses) accounted for the income of $10,348,531, however, the transfer of the NSP loans/program income to AEDC of $20,930,420 caused most of the overall net loss of $1,720,544 above. The federal financial assistance "net" is the difference between federal funds received and federal funds expended. It does not represent a true net operating income – it is a timing of funds received/expended. Also, federal funds received are used to fund repayable loans which are reported as loans receivable on the balance sheet and not expensed.

During the month of June, we hired two new staff. Luke Cooper was hired as Junior Finance Analyst. Todd Sprague was hired as Loan Operations Coordinator who replaced David Denman who transferred to Single Family underwriting department.

The AIF audit is almost finalized and should be issued by Landmark this month. We are all preparing for the fiscal year end audits (ADFA and the two ANRC SRF loan programs). The auditors from Frost will be here in mid-August for three weeks in person and will present the audit reports at the October board meeting.

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
BALANCE SHEET - UNAUDITED
MARCH 31, 2026

For Internal Purposes Only

	SINGLE FAMILY	FEDERAL AND MULTI FAMILY	ECONOMIC DEVELOPMENT	GENERAL FUND	TOBACCO SETTLEMENT	STUDENT LOAN PROGRAMS	Component Unit VENTURE CAPITAL INVESTMENT TRUST FUND	TOTAL
ASSETS:								
Cash and cash equivalents	137,212,470	39,773,456	95,473,392	65,274,494	468,383	26,621,042	1,882,155	366,705,392
Accounts receivable	-	3,458,493	12,819	1,247,781	-	69,174	149,976	4,938,243
Accrued interest receivable	1,606,241	166,784	764,611	566,522	1,321	799,883	-	3,905,362
Accrued rent receivable	-	-	229,534	10,376	-	-	-	239,910
Investments, at amortized cost	298,853,800	-	7,962,183	52,738,223	-	3,967,531	19,514,209	383,035,946
Loans receivable, at amortized	-	-	-	-	-	-	-	-
cost, net	-	105,397,574	141,854,715	53,974,474	65,546,706	32,753,981	5,539,338	405,066,788
Long Term Receivable	-	-	-	-	-	-	-	-
Real Estate Owned	-	-	-	-	-	-	-	-
Deferred charges	-	-	-	1,253,784	-	-	-	1,253,784
Direct Financing Leases	-	-	113,444,685	534,978	-	-	-	113,979,663
GASB 87 Leases	-	-	-	-	-	-	-	-
Capitalized Assets	-	114,625	-	3,045,295	-	1,948,603	-	5,108,523
Other Assets	-	-	-	-	-	-	-	-
TOTAL ASSETS	437,672,511	148,910,932	359,741,939	178,645,927	66,016,410	66,160,214	27,085,678	1,284,233,611

LIABILITIES AND FUND BALANCES

	SINGLE FAMILY	FEDERAL AND MULTI FAMILY	ECONOMIC DEVELOPMENT	GENERAL FUND	TOBACCO SETTLEMENT	STUDENT LOAN PROGRAMS	Component Unit VENTURE CAPITAL INVESTMENT TRUST FUND	TOTAL
LIABILITIES:								
Bonds and notes payable, net of unamortized discounts and premiums	317,742,628	2,893,229	268,392,400	-	65,546,706	-	-	654,574,963
Lease Liability GASB 87	-	-	-	-	-	-	-	-
Accrued interest payable	3,732,906	23,919	3,047,344	-	-	-	-	6,804,169
Accounts payable	-	1,112,342	4,073,042	4,139,838	-	119,537	322,909	9,767,668
OPEB and pension liabilities	-	-	-	5,542,576	-	-	-	5,542,576
Deferred fees, advances,	-	-	-	-	-	-	-	-
grants and credits	-	-	44,668,140	1,165,377	469,704	-	-	46,303,221
Total liabilities	321,475,534	4,029,490	320,180,926	10,847,791	66,016,410	119,537	322,909	722,992,597
FUND BALANCES								
Restricted by bond resolution and programs	116,196,977	144,881,442	39,561,013	-	-	64,092,074	26,762,769	391,494,275
Invested in capital assets	-	-	-	3,045,295	-	1,948,603	-	4,993,898
Unrestricted	-	-	-	164,752,841	-	-	-	164,752,841
TOTAL LIABILITIES AND FUND BALANCES	437,672,511	148,910,932	359,741,939	178,645,927	66,016,410	66,160,214	27,085,678	1,284,233,611

ARKANSAS DEVELOPMENT FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE FOR
THE NINE MONTH PERIOD ENDED MARCH 31, 2026 - UNAUDITED

For Internal Purposes Only

	SINGLE FAMILY	FEDERAL AND MULTI FAMILY	ECONOMIC DEVELOPMENT	GENERAL FUND	TOBACCO SETTLEMENT	STUDENT LOAN PROGRAMS	Component Unit VENTURE CAPITAL INVESTMENT TRUST FUND	TOTAL
REVENUES:								
Interest income:								
Loans and direct leases	-	819,613	6,922,981	2,129,033	2,401,571	1,072,843	-	13,346,041
Investments	12,801,026	1,089,274	867,622	2,603,610	-	1,162,549	(691,541)	17,832,540
Amortization of discounts	-	-	-	-	-	-	-	-
and premiums on loans and	-	-	-	-	-	-	-	-
investments, net	16,247	-	(1,791)	3,540	-	-	-	17,996
Financing fee income	-	-	136,986	6,048,560	-	-	18,639	6,204,185
Total Interest Income	12,817,273	1,908,887	7,925,798	10,784,743	2,401,571	2,235,392	(672,902)	37,400,762
Federal financial assistance	-	22,237,959	26,140	-	-	-	-	22,264,099
Rental Real Estate	-	-	-	-	-	165,187	-	165,187
Default Management Services	-	-	-	-	-	220,673	-	220,673
Special Allowance Income	-	-	-	-	-	-	-	-
Other income (loss)	-	-	-	36,000	-	-	-	36,000
TOTAL REVENUES	12,817,273	24,146,846	7,951,938	10,820,743	2,401,571	2,621,252	(672,902)	60,086,721
EXPENSES:								
Interest on bonds and notes:								
Current interest	9,257,396	21,728	6,949,166	-	-	-	-	16,228,290
Accreted interest	-	-	-	-	2,401,571	-	-	2,401,571
Total interest on bonds and notes	9,257,396	21,728	6,949,166	-	2,401,571	-	-	18,629,861
Amortized public discounts and								
premiums on bonds and notes	(207,237)	-	-	-	-	-	-	(207,237)
Provision for losses	-	1,282,587	(47,432)	264,087	-	-	-	1,499,242
Federal financial	-	-	-	-	-	-	-	-
assistance programs	-	11,915,568	-	-	-	-	-	11,915,568
Loan Servicing and Other Contractual Services	-	-	-	-	-	192,790	-	192,790
Default Management Services	-	-	-	-	-	200,856	-	200,856
Special Allowance expense	-	-	-	-	-	-	-	-
Rental Real Estate	-	44,155	-	161,458	-	160,233	-	365,846
Administrative expenses:	-	-	-	-	-	-	-	-
Salaries and benefits	-	-	-	3,412,656	-	396,763	-	3,809,419
Operations and maintenance	1,356,721	1,292,707	65,346	413,582	-	136,749	-	3,265,105
Other	479,273	210,811	370,327	177,564	-	525,439	114,447	1,877,861
TOTAL EXPENSES	10,886,153	14,767,556	7,337,407	4,429,347	2,401,571	1,612,830	114,447	41,549,311
REVENUES OVER (UNDER) EXPENSES	1,931,120	9,379,290	614,531	6,391,396	-	1,008,422	(787,349)	18,537,410
Transfer (to) from other funds	4,054,000	(20,930,420)	(339,527)	(3,914,675)	-	-	872,668	(20,257,954)
REVENUES OVER (UNDER) EXPENSES	5,985,120	(11,551,130)	275,004	2,476,721	-	1,008,422	85,319	(1,720,544)
FUND BALANCES:								
Beginning of period	110,211,857	156,432,572	39,286,009	165,321,415	-	65,032,255	26,677,450	562,961,558
End of Period	116,196,977	144,881,442	39,561,013	167,798,136	-	66,040,677	26,762,769	561,241,014

DEVELOPMENT FINANCE

MEMORANDUM

Date: **July 7, 2026**

To: **ADFA Board of Directors**
From: **Chuck Cathey** CC

Subject: **Development Finance Monthly Activity Report**

<u>Bond Guaranty and Lending Programs</u>

Inquiries and application information requests continue about guaranteed bond financing, but economic uncertainty has many companies hesitant about financing and business expansion, with many facing potential layoffs. The length of time (150 -180 days) and upfront cost (minimum 7%) to issue guaranteed bonds are also major considerations in electing to pursue this form of financing given the current financial environment.

<u>Venture Capital Programs</u>

Stratos Opportunity Fund, investment approved at May Board meeting, is expected to make its initial capital call in Q3 2026. Venture Center Arkansas Fund made is second capital call this month and is 75% drawn. High Street Fund made its initial capital call last month and is 25% drawn.

<u>Capital Access Program</u>

Since its inception in 1993, the Capital Access Program (CAP) has made loan loss reserve contributions to lenders totaling $2.07MM in support of $43.7MM in loans to small businesses. The average loan to small businesses enrolled in the program is $37,677 and has resulted in 4,434 jobs being created or retained.

There have been no loan enrollments from the 2 active approved lenders since Q3 2025 and no applications from any institutions or loan funds to become approved lenders. Since 2022, year over year enrollments have decreased significantly from 92 to 0 loans and participating lenders have decreased from 5 to 2 institutions.

See attached MEMORANDUM regarding continued CAP activities.

MEMORANDUM

Date: July 7, 2026

To: Operations Committee
From: Chuck Cathey CC

Subject: Capital Access Program

Committee Members,

For various reasons, driven by the current economic and financial market environments, the Capital Access Program (CAP), a portfolio credit insurance (loan loss reserve) program has become an afterthought for financial institutions and loan funds in favor of the many loan guarantee and grant programs currently available to small business lenders. The current upfront cost of the credit insurance charged to the borrower/lender ranges from 3% to 7% of the loan amount. ADFA directly matches the contribution with an equal amount and then provides another equal match with SSBCI funds. For example, a 3% contribution by the borrower/lender becomes a 9% contribution to the loan loss reserve available to cover losses within the enrolled portfolio of loans.

The program is a mission-based program with no direct income to ADFA but takes considerable administration time (cost) for Development Finance, Administration, and Accounting departments to handle outreach, program questions, enrollments, renewals, claims processing and reserve account reconciliations.

There have been no loan enrollments from the 2 active approved lenders since Q3 2025 and no applications from any institutions or loan funds to become approved lenders. Since 2022, year over year enrollments have decreased significantly from 92 to 0 loans and participating lenders have decreased from 5 to 2 institutions, even with the additional matching from SSBCI 2.0 that increased reserves matched by ADFA from 50% to 67% per loan enrolled.

After careful consideration, detailed review and analysis, by the President, Vice-President – Development Finance, and CAP Program Administrator, it was determined and the President ordered that the CAP suspend all new enrollments and applications and service the existing portfolio until the program organically dissolves due to loan payoffs and/or depletion of available reserves to offset further loan loss claims.

By previous action, the AR Cash Program is currently phasing out under this same scenario with the 1 enrolled lender having 1 loan outstanding.

MEMORANDUM

DATE: **July 7, 2026**

TO: **ADFA Board of Directors**
FROM: **Chuck Cathey** CC

RE: **Problem Loan Report – June 30, 2026**

The Authority currently has no problemed loans subject to reporting to the Board. The previously identified problemed loan is now reported as Real Estate Owned (REO) following acquisition of the property via deed-in-lieu of foreclosure. The property will now be liquidated by private sale or at auction with any recovery being deposited into the Bond Guaranty Fund.

Based on the decision to liquidate the property and potential recovery values, the exposure to the Bond Guaranty Reserve Fund is estimated to be at least $1,965,000 and as much as $2,965,000.

HOMEOWNERSHIP & PUBLIC FINANCE

ADFA Ginnie Pipeline (7/3/2026)

HilltopSecurities
A Hilltop Holdings Company

High Level Summary

	Parameter	7/3/2026	7/2/2026	7/1/2026	6/30/2026	6/29/2026	6/26/2026	6/25/2026	6/24/2026
Incremental	New Lock Count	-	4	1	1	1	1	4	2
	Cancel Lock Count*	-	1	-	5	1	-	1	-
	Pooled Lock Count	-	-	-	-	-	-	-	-
	New Lock Balance	-	890,962	119,986	91,476	240,562	273,946	928,766	309,293
	Cancel Lock Balance*	-	163,636	-	952,295	211,105	-	333,743	-
	Pooled Loan Balance	-	-	-	-	-	-	-	-
Cumulative	Total Lock Count	207	207	204	203	207	207	206	203
	Total Cancel Lock Count*	1,884	1,884	1,883	1,883	1,878	1,877	1,877	1,876
	Total Pooled Lock Count	6,305	6,305	6,305	6,305	6,305	6,305	6,305	6,305
	Total Lock Orig Balance	44,341,773	44,341,773	43,614,854	43,498,175	44,354,005	44,324,548	44,043,812	43,452,645
	Total Cancel Lock Balance*	308,110,541	308,110,541	307,946,905	307,946,905	306,994,610	306,783,505	306,783,505	306,449,762
	Total Pooled Loan Balance	1,064,776,439	1,064,776,439	1,064,776,439	1,064,776,439	1,064,776,439	1,064,776,439	1,064,776,439	1,064,776,439
	Avg Orig Loan Size	214,211	214,211	213,798	214,277	214,271	214,128	213,805	214,052
	Avg Orig Term	360	360	360	360	360	360	360	360
	Avg Lock Term	45	45	45	45	45	45	45	45
	Avg Gross Rate	6.1324	6.1324	6.1305	6.1301	6.1271	6.1252	6.1244	6.1227
	Lender Count	47	47	47	46	46	46	45	44
	Avg FICO Score	704	704	705	705	705	706	706	706
	Pct First Time Buyer	-	-	-	-	-	-	-	-

Cancels*: Locks cancelled on day they were reserved are omitted from this summary

Current Lock Status

Rank	Status	Count	Balance	Percent
1	RESERVATION	148	$31,519,646	71.1%
2	FUNDED	59	$12,822,127	28.9%

Days before Cancellation

Lock Age	Count	Balance	Percent
<= 10	355	$59,175,848	19.2%
<= 20	279	$48,581,586	15.8%
<= 30	206	$35,119,852	11.4%
<= 40	131	$20,882,491	6.8%
<= 50	130	$19,677,205	6.4%
<= 60	111	$17,560,724	5.7%
<= 70	118	$19,828,250	6.4%
> 70	554	$87,284,585	28.3%
Max: 533 || Min: 1 || WAvg: 48			

LENDER

Lock Volume By Lender (Top 16)

Rank	Lender Name	Count	Balance	Percent	%Closed	%Puchased	DayCount1*	DayCount2**
1	Fairway Independent Mortgage Corporation	35	$7,419,428	16.7%	8.1%	5.1%	19	70
2	Arvest Bank	26	$5,687,764	12.8%	8.1%	6.1%	25	78
3	Flat Branch Home Loans	17	$4,144,657	9.3%	6.1%	3.6%	20	83
4	Eustis Mortgage Corporation,	13	$2,728,873	6.2%	2.3%	0.7%	26	78
5	Firsttrust Home Loans	10	$2,118,598	4.8%	3.1%	1.9%	23	64
6	Usa Mortgage	9	$1,686,903	3.8%	2.9%	1.3%	22	89
7	Centennial Bank	9	$1,603,275	3.6%	1.6%	0.3%	17	133
8	First Community Bank	9	$1,555,009	3.5%	2.8%	0.0%	12	-
9	Cmg Mortgage, Inc.	9	$1,315,884	3.0%	1.5%	0.4%	33	151
10	Eng Lending	6	$1,128,087	2.5%	1.5%	0.4%	31	155
11	Crosscountry Mortgage Llc	4	$981,886	2.2%	0.8%	0.0%	18	-
12	Simmons Bank	3	$785,409	1.8%	1.5%	0.9%	28	66
13	Benchmark Mortgage	4	$780,401	1.8%	1.8%	1.8%	15	99
14	First Financial Bank	3	$778,340	1.8%	0.7%	0.0%	26	-
15	Eagle Bank & Trust Company	3	$721,492	1.6%	1.1%	1.1%	22	74
16	American Pacific Mortgage Corporation	3	$667,681	1.5%	0.8%	0.0%	25	-

DayCount1*: Num days from rate lock to lender loan closing (weighted avg of only those loans that have closed and are in the pipeline currently)
DayCount2**: Num days from rate lock to servicer purchase (weighted avg of only those loans that have been purchased by servicer and securities not settled)

GEOGRAPHIC

Lock Volume By City (Top 20)

Rank	City	Count	Balance	Percent
1	Little Rock	12	$2,591,412	5.8%
2	Springdale	9	$2,372,412	5.4%
3	Benton	9	$2,176,784	4.9%
4	North Little Rock	10	$2,014,922	4.5%
5	Jonesboro	9	$1,860,566	4.2%
6	Conway	7	$1,532,377	3.5%
7	Paragould	8	$1,474,522	3.3%
8	Bella Vista	4	$1,328,246	3.0%
9	Pea Ridge	4	$1,275,429	2.9%
10	Fayetteville	4	$1,078,502	2.4%
11	Fort Smith	6	$1,051,106	2.4%
12	Rogers	4	$1,045,496	2.4%
13	Prairie Grove	4	$1,040,675	2.3%
14	Manila	4	$907,162	2.0%
15	Cabot	4	$846,961	1.9%
16	Ward	4	$825,766	1.9%
17	Alexander	3	$789,338	1.8%
18	Siloam Springs	3	$739,360	1.7%
19	Trumann	3	$640,876	1.4%
20	Jacksonville	3	$618,935	1.4%

Lock Volume By County (Top 20)

Rank	County	Count	Balance	Percent
1	Pulaski	30	$6,243,385	14.1%
2	Benton	18	$5,389,464	12.2%
3	Washington	20	$5,293,076	11.9%
4	Saline	15	$3,651,232	8.2%
5	Faulkner	12	$2,620,306	5.9%
6	Craighead	11	$2,141,385	4.8%
7	Lonoke	11	$2,109,057	4.8%
8	Greene	8	$1,474,522	3.3%
9	Mississippi	7	$1,403,996	3.2%
10	Poinsett	6	$1,311,994	3.0%
11	Crittenden	5	$1,276,888	2.9%
12	Sebastian	7	$1,206,734	2.7%
13	Pope	6	$970,298	2.2%
14	White	4	$698,120	1.6%
15	Lawrence	4	$692,032	1.6%
16	Garland	3	$609,260	1.4%
17	Independence	4	$605,822	1.4%
18	Boone	3	$542,883	1.2%
19	Yell	2	$513,526	1.2%
20	Drew	2	$375,915	0.8%

VOLUME

Lock Volume By Week

Week Of	Count	Balance	Percent
06/29/2026	7	$1,342,986	3.0%
06/22/2026	17	$3,549,812	8.0%
06/15/2026	11	$2,185,347	4.9%
06/08/2026	15	$3,162,805	7.1%
06/01/2026	13	$3,317,067	7.5%
05/25/2026	11	$2,507,144	5.7%
05/18/2026	19	$4,104,663	9.3%
05/11/2026	10	$2,049,846	4.6%
05/04/2026	15	$3,004,371	6.8%
Older	89	$19,117,732	43.1%

Lock Expirations By Week

Week Of	Count	Balance	Percent
06/30/2025	1	$250,381	0.6%
02/02/2026	1	$122,735	0.3%
02/23/2026	1	$81,496	0.2%
03/16/2026	1	$247,293	0.6%
04/06/2026	1	$362,316	0.8%
04/27/2026	1	$142,373	0.3%
05/04/2026	1	$197,359	0.4%
05/11/2026	1	$77,569	0.2%
05/25/2026	4	$822,819	1.9%
Farther Out	195	$42,037,432	94.8%

Lock Volume By Extension Days

Days	Count	Balance	Percent
7	5	$889,766	2.0%
14	1	$145,319	0.3%
15	10	$2,159,007	4.9%
22	3	$814,965	1.8%
30	6	$1,412,860	3.2%
37	5	$1,036,620	2.3%
45	3	$756,052	1.7%
52	2	$412,392	0.9%
60	1	$353,479	0.8%
67	2	$323,040	0.7%
75	1	$309,294	0.7%
82	1	$186,558	0.4%
90	1	$176,739	0.4%

PROFIT / LOSS

Potential MBS Settle Volume By Month

Settle Month	Count	Balance	Percent	SRP	Rate Lock Px	Total Lock Px	Svcr Buy Px	HFA Buy Px	DPA**	Extn Fee	Est HFA Gain*
July	64	$13,257,195	29.9%	1.31164	101.65034	102.96198	101.75000	100.43836	-	0.00233	1.21432
August	81	$18,180,755	41.0%	0.49249	102.33685	102.82934	101.73891	101.24642	-	0.06187	1.15230
September	59	$12,231,232	27.6%	0.17870	102.76109	102.93980	101.74227	101.56357	-	0.06872	1.26625
October	3	$672,591	1.5%	1.00000	101.60236	102.60236	101.75000	100.75000	-	0.67518	1.52754

Est HFA Gain*: This is an estimate only
DPA**: For first mortgages where a DPA amount could not be found, a DPA loan of the percent based on program guidelines was assumed

Past Settlements

Settle Dt	Count	Issue Bal	SRP	Rate Lock Px	Total Lock Px	Svcr Buy Px	HFA Buy Px	DPA**	Extn Fee	Est HFA Gain*	Premium***
4/6/2020	26	$3,413,487	1.05075	102.95006	104.00080	101.75000	100.69925	-	0.00890	2.25970	$100,700
4/28/2020	16	$1,895,720	0.53876	103.48363	104.02239	101.75000	101.21124	-	0.03395	2.30634	$66,040
5/20/2020	27	$3,859,215	0.71341	103.26310	103.97651	101.75000	101.03659	-	0.02002	2.24653	$125,930
6/22/2020	128	$18,385,766	0.75934	103.38223	104.14157	101.75000	100.99066	-	0.07815	2.46972	$621,850
7/16/2020	114	$17,249,537	0.83444	103.62791	104.46235	101.75000	100.91556	-	0.08145	2.79380	$625,797
8/17/2020	121	$18,609,835	0.78436	103.63551	104.41987	101.75000	100.96564	-	0.10340	2.77327	$676,562
9/16/2020	115	$17,318,542	0.54730	103.75817	104.30547	101.75000	101.20270	-	0.09487	2.65034	$650,860

Past Settlements

Settle Dt	Count	Issue Bal	SRP	Rate Lock Px	Total Lock Px	Svcr Buy Px	HFA Buy Px	DPA**	Extn Fee	Est HFA Gain*	Premium***
10/16/2020	108	$15,951,363	0.63736	103.56981	104.20717	101.75000	101.11264	-	0.15067	2.60784	$569,433
11/16/2020	115	$17,161,742	0.86362	103.21593	104.07955	101.73396	100.87034	-	0.13309	2.47868	$551,910
12/17/2020	120	$18,799,345	0.93836	102.99114	103.92950	101.73821	100.79985	-	0.10428	2.29556	$562,314
1/15/2021	134	$20,189,709	0.86093	103.02338	103.88430	101.75000	100.88907	-	0.15555	2.28985	$610,411
2/12/2021	132	$20,108,666	0.79298	103.16956	103.96254	101.75000	100.95702	-	0.14606	2.35860	$637,357
3/15/2021	72	$10,817,824	0.69500	103.32151	104.01651	101.74437	101.04937	-	0.18289	2.45502	$359,315
3/18/2021	52	$8,066,959	0.52853	103.54483	104.07337	101.75000	101.22147	-	0.01323	2.33659	$285,960
4/16/2021	127	$18,695,261	0.34314	104.21959	104.56273	101.75000	101.40686	-	0.14248	2.95521	$788,864
5/17/2021	93	$13,737,916	0.29164	104.58970	104.88134	101.74375	101.45210	-	0.15017	3.28777	$630,529
6/16/2021	106	$16,868,639	0.36569	104.36279	104.72848	101.74197	101.37627	-	0.14010	3.12662	$735,943
7/16/2021	114	$17,413,758	0.55090	104.01025	104.56115	101.75000	101.19910	-	0.13660	2.94775	$698,336
8/16/2021	126	$20,163,099	0.70011	103.71615	104.41626	101.73883	101.03872	-	0.14488	2.82231	$749,290
9/16/2021	125	$18,612,511	0.42627	104.15928	104.58555	101.74704	101.32078	-	0.14892	2.98742	$774,146
10/18/2021	149	$23,785,794	0.52639	104.05173	104.57813	101.74794	101.22155	-	0.11352	2.94370	$963,737
11/15/2021	139	$21,775,623	0.84617	103.41358	104.25975	101.74363	100.89746	-	0.10982	2.62594	$743,328
12/15/2021	120	$19,027,475	0.72342	103.40495	104.12837	101.74660	101.02318	-	0.11971	2.50148	$647,876
1/14/2022	93	$13,858,334	0.29227	103.86358	104.15585	101.74406	101.45179	-	0.06039	2.47218	$535,427
2/16/2022	146	$22,951,548	0.19483	103.85396	104.04879	101.74280	101.54797	-	0.11482	2.42081	$884,544
3/16/2022	91	$13,542,009	0.21139	103.75381	103.96520	101.74473	101.53334	-	0.10448	2.32495	$508,341
4/18/2022	96	$15,130,615	0.35802	103.67935	104.03737	101.74104	101.38302	-	0.09816	2.39449	$556,708
5/16/2022	98	$16,249,333	0.69994	103.22634	103.92628	101.72240	101.02245	-	0.09109	2.29498	$524,258
6/16/2022	90	$14,980,807	0.97492	102.46944	103.44436	101.74335	100.76843	-	0.06005	1.76105	$369,942
7/18/2022	103	$18,021,734	0.87274	102.14685	103.01959	101.73058	100.85784	-	0.05772	1.34674	$386,900
8/15/2022	91	$15,377,213	0.72484	102.14636	102.87120	101.73302	101.00818	-	0.06582	1.20400	$330,050
9/16/2022	118	$19,667,426	0.81004	102.12394	102.93398	101.73932	100.92928	-	0.06943	1.26409	$417,724
10/17/2022	91	$15,690,128	0.96143	101.88596	102.84740	101.74516	100.78373	-	0.11363	1.21587	$295,910
11/16/2022	115	$18,501,744	1.08480	101.76973	102.85453	101.74144	100.65663	-	0.12600	1.23909	$327,430
12/15/2022	116	$19,756,822	1.14011	101.64554	102.78565	101.73229	100.59218	-	0.06210	1.11546	$325,107
1/18/2023	57	$9,075,200	1.11509	101.57826	102.69335	101.75000	100.63491	-	0.11724	1.06059	$143,230
2/15/2023	58	$9,429,866	1.01301	101.89507	102.90807	101.72608	100.71307	-	0.07166	1.25366	$178,702
3/16/2023	61	$9,619,673	0.94584	102.05390	102.99974	101.73328	100.78745	-	0.05397	1.32043	$197,579
4/17/2023	62	$10,118,478	1.24919	101.63008	102.87927	101.72656	100.47737	-	0.08273	1.23544	$164,939
5/15/2023	70	$12,139,722	1.37866	101.52752	102.90618	101.72886	100.35020	-	0.03223	1.20955	$185,437
6/14/2023	95	$17,649,354	1.42837	101.35226	102.78063	101.74776	100.31939	-	0.05387	1.08674	$238,665
7/17/2023	96	$16,171,580	1.23571	101.70555	102.94127	101.74527	100.50956	-	0.08483	1.28083	$275,815
8/16/2023	117	$20,255,436	1.26181	101.55553	102.81735	101.71392	100.45211	-	0.08276	1.18618	$315,080
9/15/2023	155	$27,682,942	1.25226	101.48485	102.73711	101.73761	100.48535	-	0.09695	1.09645	$411,050
10/18/2023	120	$20,745,473	1.12373	101.52911	102.65284	101.73952	100.61579	-	0.07130	0.98461	$317,220
11/7/2023	60	$11,162,908	1.28692	101.33306	102.61998	101.73958	100.45266	-	0.07647	0.95687	$148,808
11/27/2023	44	$7,464,889	1.13229	101.50256	102.63484	101.72790	100.59561	-	0.08665	0.99359	$112,164
12/7/2023	16	$2,942,580	1.50973	101.13867	102.64840	101.72214	100.21241	-	0.04616	0.97242	$33,506
12/26/2023	52	$9,092,051	1.29816	101.31253	102.61069	101.70275	100.40460	-	0.09004	0.99797	$119,336
1/9/2024	27	$3,776,677	1.24248	101.38135	102.62384	101.75000	100.50752	-	0.08122	0.95505	$52,169
1/25/2024	48	$8,885,750	1.36510	101.15286	102.51796	101.72156	100.35646	-	0.09308	0.88948	$102,440
2/8/2024	54	$9,354,864	1.36968	101.13525	102.50493	101.75000	100.38032	-	0.11621	0.87114	$106,201
3/15/2024	86	$16,088,775	1.49855	101.05785	102.55640	101.75000	100.25145	-	0.05863	0.86503	$170,194
4/15/2024	67	$12,474,445	1.43440	101.44389	102.87829	101.73992	100.30552	-	0.03989	1.17825	$180,117
5/15/2024	67	$12,907,466	1.31686	101.91526	103.23212	101.75000	100.43314	-	0.03718	1.51930	$247,212
6/14/2024	60	$12,918,812	1.54433	101.80857	103.35290	101.72017	100.17584	-	0.05195	1.68468	$233,646
7/17/2024	39	$7,052,628	1.52939	102.09381	103.62321	101.71293	100.18354	-	0.04585	1.95613	$147,669
8/15/2024	69	$12,964,763	1.38098	102.18942	103.57040	101.75000	100.36902	-	0.11848	1.93888	$283,853
9/18/2024	91	$16,609,607	1.24170	102.15634	103.39805	101.72228	100.48058	-	0.10130	1.77706	$358,160
10/16/2024	62	$12,277,351	1.40456	101.79379	103.19835	101.75000	100.34544	-	0.08256	1.53091	$220,229
11/15/2024	74	$14,120,577	1.44222	101.65139	103.09361	101.74310	100.30088	-	0.12534	1.47585	$233,186
12/16/2024	60	$11,327,607	1.53104	101.33433	102.86537	101.73807	100.20703	-	0.11872	1.24602	$151,148
1/15/2025	43	$8,649,286	1.52877	101.29984	102.82860	101.75000	100.22123	-	0.11208	1.19068	$112,427

Past Settlements

Settle Dt	Count	Issue Bal	SRP	Rate Lock Px	Total Lock Px	Svcr Buy Px	HFA Buy Px	DPA**	Extn Fee	Est HFA Gain*	Premium***
2/14/2025	74	$14,942,398	1.41374	101.36156	102.77530	101.74004	100.32630	-	0.08735	1.12261	$203,450
3/17/2025	44	$8,309,621	1.18275	101.57064	102.75339	101.75000	100.56725	-	0.07468	1.07807	$130,514
4/15/2025	26	$5,059,987	1.01757	101.74789	102.76546	101.75000	100.73243	-	0.03307	1.04853	$88,443
5/15/2025	42	$8,864,833	1.33263	101.41268	102.74531	101.75000	100.41737	-	0.08627	1.08158	$125,232
6/17/2025	37	$7,329,354	1.05857	101.97191	103.03049	101.75000	100.69143	-	0.10627	1.38676	$144,529
7/16/2025	66	$14,140,958	0.68086	102.69179	103.37265	101.75000	101.06914	-	0.10825	1.73090	$380,645
8/15/2025	66	$12,639,378	0.74539	103.00721	103.75260	101.75000	101.00461	-	0.13315	2.13575	$380,093
9/17/2025	55	$11,707,047	0.91592	103.36631	104.28223	101.75000	100.83408	-	0.11884	2.65107	$394,095
10/15/2025	49	$9,418,422	1.22274	102.74170	103.96445	101.75000	100.52726	-	0.14140	2.35585	$258,225
11/17/2025	42	$7,936,428	1.07656	102.04835	103.12491	101.75000	100.67344	-	0.04250	1.41740	$162,566
12/15/2025	35	$6,684,610	1.31715	101.54214	102.85929	101.75000	100.43285	-	0.06953	1.17882	$103,086
1/16/2026	38	$7,404,216	1.54849	101.26010	102.80860	101.75000	100.20151	-	0.07288	1.13147	$93,301
2/13/2026	51	$10,227,718	1.53509	101.43975	102.97484	101.75000	100.21491	-	0.10607	1.33091	$147,254
3/16/2026	32	$7,041,798	1.35583	101.73164	103.08747	101.73047	100.37464	-	0.07879	1.43578	$121,938
4/16/2026	35	$7,662,023	1.21989	101.85402	103.07391	101.73553	100.51563	-	0.17992	1.51830	$142,055
5/15/2026	24	$4,972,710	1.17859	102.04457	103.22316	101.70334	100.52474	-	0.10063	1.62046	$101,670
6/16/2026	52	$11,840,674	0.89902	102.16335	103.06237	101.73932	100.84031	-	0.09893	1.42198	$256,156

Est HFA Gain*: This is an estimate only
DPA**: For first mortgages where a DPA amount could not be found, a DPA loan of the percent based on program guidelines was assumed
Premium***: This is simply (Rate Lock Px - 100) / 100 * Issue Bal

COLLATERAL

Original Balance Distribution

Orig Balance	Count	Balance	Percent
<= $100,000	12	$1,027,656	2.3%
<= $150,000	29	$3,926,660	8.9%
<= $200,000	50	$8,729,517	19.7%
<= $250,000	48	$10,788,310	24.3%
<= $300,000	46	$12,337,259	27.8%
<= $350,000	13	$4,123,780	9.3%
> $350,000	9	$3,408,591	7.7%
Max: $404,045 || Min: $74,917 || WAvg: $214,211			

Gross Rate Distribution

Gross Rate	Count	Balance	Percent
5.8750	22	$4,975,193	11.2%
6.0000	47	$10,079,329	22.7%
6.1250	38	$7,638,822	17.2%
6.2500	99	$21,398,048	48.3%
6.7500	1	$250,381	0.6%

Lock Volume By Product

Product	Count	Balance	Percent
SF-FHA INSURED-EXISTING	201	$43,184,504	97.4%
SF-VA GUARANTEED-EXISTING	3	$592,099	1.3%
SF-RURAL DEVELOPME	3	$565,170	1.3%

Lock Volume By Property Type

Property Type	Count	Balance	Percent
Manufactured Home	3	$456,477	1.0%

Lock Volume By Property Category

Category	Count	Balance	Percent
EXISTING CONSTRUCTION	188	$39,152,265	88.3%
NEW CONSTRUCTION	18	$4,807,064	10.8%
NEW CONSTRUCTION PRIOR YEAR	1	$382,444	0.9%

BORROWER

Annual Household Income Distribution

Income	Count	Balance	Percent
<= $20,000	2	$358,388	0.8%
<= $30,000	1	$98,188	0.2%
<= $40,000	4	$447,480	1.0%
<= $50,000	8	$1,176,712	2.7%
<= $60,000	22	$3,622,302	8.2%
<= $70,000	29	$5,456,444	12.3%
<= $80,000	18	$3,323,872	7.5%
<= $90,000	25	$4,920,436	11.1%
<= $100,000	27	$6,195,200	14.0%
<= $110,000	19	$4,715,354	10.6%
<= $120,000	26	$7,149,090	16.1%
> $120,000	26	$6,878,307	15.5%
Max: $139,298 || Min: $0 || WAvg: $87,049			

Age Distribution

Borr Age	Count	Balance	Percent
<= 20	5	$685,822	1.5%
<= 25	51	$10,313,248	23.3%
<= 30	55	$11,747,090	26.5%
<= 35	29	$6,544,293	14.8%
<= 40	19	$4,343,906	9.8%
<= 45	18	$4,372,449	9.9%
<= 50	9	$1,624,771	3.7%
<= 55	7	$1,801,760	4.1%
<= 60	8	$1,664,905	3.8%
> 60	6	$1,243,529	2.8%
Max: 83 || Min: 19 || WAvg: 34			

FICO Distribution

Borr FICO	Count	Balance	Percent
<= 640	2	$525,848	1.2%
<= 660	34	$7,252,440	16.4%
<= 680	40	$8,777,873	19.8%
<= 700	30	$6,041,659	13.6%
<= 720	29	$5,978,174	13.5%
<= 740	32	$6,454,272	14.6%
<= 760	21	$4,641,738	10.5%
<= 780	10	$2,264,724	5.1%
<= 800	7	$1,742,272	3.9%
> 800	2	$662,773	1.5%
Max: 804 || Min: 640 || WAvg: 704			

Lock Volume By Borr Ethnicity

Ethnicity	Count	Balance	Percent
WHITE	127	$26,557,286	59.9%
BLACK	29	$6,693,127	15.1%
OTHER	27	$5,975,613	13.5%
HISPANIC	20	$4,326,788	9.8%
AMERICAN INDIAN	2	$490,844	1.1%
PACIFIC ISLANDER	2	$298,115	0.7%

Lock Volume By Marital Status

Status	Count	Balance	Percent
Married	116	$26,186,339	59.1%
Unmarried	87	$17,395,321	39.2%
Single	2	$308,268	0.7%
Separated	1	$275,106	0.6%
Divorced	1	$176,739	0.4%

Lock Volume By Borrower Gender

Gender	Count	Balance	Percent
M	94	$19,772,523	44.6%
F	84	$18,391,289	41.5%
	29	$6,177,961	13.9%

Lock Volume By Household Size

Size	Count	Balance	Percent
1	53	$10,004,419	22.6%
2	96	$21,168,705	47.7%
3	32	$7,453,333	16.8%
4	16	$3,458,014	7.8%
5	10	$2,257,302	5.1%

ADFA Conventional Pipeline (7/3/2026)

HilltopSecurities
A Hilltop Holdings Company

High Level Summary

	Parameter	7/3/2026	7/2/2026	7/1/2026	6/30/2026	6/29/2026	6/26/2026	6/25/2026	6/24/2026
Incremental	New Lock Count	-	-	1	-	-	-	3	-
	Cancel Lock Count*	-	-	-	5	-	-	-	-
	Pooled Lock Count	-	-	-	-	-	-	-	-
	New Lock Balance	-	-	256,500	-	-	-	612,750	-
	Cancel Lock Balance*	-	-	-	1,287,410	-	-	-	-
	Pooled Loan Balance	-	-	-	-	-	-	-	-
Cumulative	Total Lock Count	39	39	39	38	42	42	42	39
	Total Cancel Lock Count*	560	560	560	560	555	555	555	555
	Total Pooled Lock Count	924	924	924	924	924	924	924	924
	Total Lock Orig Balance	9,124,422	9,124,422	9,124,422	8,867,922	10,022,927	10,022,927	10,022,927	9,410,177
	Total Cancel Lock Balance*	93,890,751	93,890,751	93,890,751	93,890,751	92,603,341	92,603,341	92,603,341	92,603,341
	Total Pooled Loan Balance	160,460,014	160,460,014	160,460,014	160,460,014	160,460,014	160,460,014	160,460,014	160,460,014
	Avg Orig Loan Size	233,960	233,960	233,960	233,366	238,641	238,641	238,641	241,287
	Avg Orig Term	360	360	360	360	360	360	360	360
	Avg Lock Term	45	45	45	45	45	45	45	45
	Avg Gross Rate	6.4451	6.4451	6.4451	6.4435	6.4283	6.4283	6.4283	6.4236
	Lender Count	21	21	21	21	22	22	22	21
	Avg FICO Score	736	736	736	735	741	741	741	741
	Pct First Time Buyer	-	-	-	-	-	-	-	-

Cancels*: Locks cancelled on day they were reserved are omitted from this summary

Current Lock Status

Rank	Status	Count	Balance	Percent
1	RESERVATION	26	$5,824,954	63.8%
2	FUNDED	13	$3,299,468	36.2%

Days before Cancellation

Lock Age	Count	Balance	Percent
<= 10	164	$27,391,063	29.2%
<= 20	72	$12,527,482	13.3%
<= 30	73	$11,007,911	11.7%
<= 40	41	$6,855,094	7.3%
<= 50	42	$6,993,626	7.4%
<= 60	33	$4,899,590	5.2%
<= 70	27	$5,131,697	5.5%
> 70	108	$19,084,289	20.3%
Max: 709 || Min: 1 || WAvg: 42			

LENDER

Lock Volume By Lender (Top 16)

Rank	Lender Name	Count	Balance	Percent	%Closed	%Puchased	DayCount1*	DayCount2**
1	Fairway Independent Mortgage Corporation	6	$1,341,260	14.7%	3.6%	3.6%	18	58
2	Flat Branch Home Loans	4	$729,720	8.0%	8.0%	3.5%	14	83
3	Guaranteed Rate, Inc	2	$589,000	6.5%	2.9%	0.0%	14	-
4	Benchmark Mortgage	2	$582,255	6.4%	6.4%	0.0%	24	-
5	Eagle Bank & Trust Company	2	$576,710	6.3%	2.1%	2.1%	7	57
6	Centennial Bank	2	$557,705	6.1%	6.1%	3.6%	15	167
7	Arvest Bank	2	$529,594	5.8%	5.8%	3.0%	9	75
8	Guild Holdings Company	2	$514,585	5.6%	5.6%	0.0%	22	-
9	Eustis Mortgage Corporation,	2	$492,663	5.4%	3.4%	3.4%	21	85
10	First Community Bank	3	$477,570	5.2%	3.2%	1.3%	9	93
11	Mutual Of Omaha Mortgage, Inc	1	$427,405	4.7%	4.7%	4.7%	14	72
12	United Federal Credit Union	2	$344,850	3.8%	3.8%	2.5%	10	56
13	Associated Mortgage Corp	1	$285,180	3.1%	3.1%	3.1%	27	70
14	First Horizon Home Loan Corporation	1	$276,450	3.0%	0.0%	0.0%	-	-
15	Envoy Mortgage Ltd.	1	$269,175	3.0%	0.0%	0.0%	-	-
16	Lower, Llc	1	$264,090	2.9%	2.9%	2.9%	15	57

DayCount1*: Num days from rate lock to lender loan closing (weighted avg of only those loans that have closed and are in the pipeline currently)
DayCount2**: Num days from rate lock to servicer purchase (weighted avg of only those loans that have been purchased by servicer and securities not settled)

GEOGRAPHIC

Lock Volume By City (Top 20)

Rank	City	Count	Balance	Percent
1	Little Rock	5	$1,163,254	12.7%
2	Bella Vista	2	$671,405	7.4%
3	Maumelle	2	$586,753	6.4%
4	Fayetteville	2	$582,255	6.4%
5	Centerton	2	$533,180	5.8%
6	Marion	1	$389,500	4.3%
7	Batesville	2	$355,020	3.9%
8	Earle	1	$329,800	3.6%
9	Tontitown	1	$329,800	3.6%
10	Springdale	1	$321,100	3.5%
11	Elkins	1	$269,175	3.0%
12	Rogers	1	$267,900	2.9%
13	Siloam Springs	1	$266,750	2.9%
14	Bono	1	$256,500	2.8%
15	Camden	1	$247,835	2.7%
16	Alma	1	$242,500	2.7%
17	Cabot	1	$230,375	2.5%
18	Lowell	1	$227,905	2.5%
19	Searcy	2	$226,495	2.5%
20	Greenwood	1	$224,200	2.5%

Lock Volume By County (Top 20)

Rank	County	Count	Balance	Percent
1	Benton	8	$2,288,240	25.1%
2	Pulaski	7	$1,750,007	19.2%
3	Washington	5	$1,403,360	15.4%
4	Crittenden	2	$719,300	7.9%
5	Independence	2	$355,020	3.9%
6	Sebastian	2	$344,850	3.8%
7	Craighead	1	$256,500	2.8%
8	Ouachita	1	$247,835	2.7%
9	Crawford	1	$242,500	2.7%
10	Lonoke	1	$230,375	2.5%
11	White	2	$226,495	2.5%
12	Saline	1	$212,430	2.3%
13	Miller	1	$184,300	2.0%
14	Jefferson	1	$171,000	1.9%
15	Fulton	1	$145,500	1.6%
16	Poinsett	1	$145,500	1.6%
17	Lawrence	1	$122,550	1.3%
18	Garland	1	$78,660	0.9%

VOLUME

Lock Volume By Week

Week Of	Count	Balance	Percent
06/29/2026	1	$256,500	2.8%
06/22/2026	3	$468,160	5.1%
06/15/2026	2	$517,175	5.7%
06/08/2026	5	$1,217,880	13.3%
06/01/2026	2	$400,305	4.4%
05/25/2026	1	$120,650	1.3%
05/18/2026	2	$568,935	6.2%
05/11/2026	4	$893,709	9.8%
04/27/2026	2	$757,205	8.3%
Older	17	$3,923,903	43.0%

Lock Expirations By Week

Week Of	Count	Balance	Percent
03/09/2026	1	$227,905	2.5%
05/25/2026	2	$500,800	5.5%
06/01/2026	3	$578,855	6.3%
06/08/2026	2	$582,530	6.4%
06/15/2026	3	$681,675	7.5%
06/22/2026	6	$1,653,540	18.1%
06/29/2026	2	$455,803	5.0%
07/06/2026	1	$169,750	1.9%
07/13/2026	3	$723,959	7.9%
Farther Out	16	$3,549,605	38.9%

Lock Volume By Extension Days

Days	Count	Balance	Percent
7	2	$367,630	4.0%
15	1	$272,335	3.0%
22	1	$310,303	3.4%
30	1	$122,550	1.3%
37	1	$94,090	1.0%
60	1	$230,375	2.5%
97	1	$329,800	3.6%

PROFIT / LOSS

Potential MBS Settle Volume By Month

Settle Month	Count	Balance	Percent	SRP	Rate Lock Px	Total Lock Px	Svcr Buy Px	HFA Buy Px	DPA**	Extn Fee	Est HFA Gain*
July	14	$3,593,990	39.4%	1.04683	101.68648	102.73331	101.75000	100.70317	-	0.01587	0.99917
August	10	$2,110,237	23.1%	1.04777	101.67832	102.72610	101.75000	100.70223	-	0.05602	1.03212
September	14	$3,090,395	33.9%	1.05042	101.38535	102.43578	101.75000	100.69958	-	0.03727	0.72305
October	1	$329,800	3.6%	1.00000	101.76922	102.76922	101.75000	100.75000	-	0.81250	1.83172

Est HFA Gain*: This is an estimate only
DPA**: For first mortgages where a DPA amount could not be found, a DPA loan of the percent based on program guidelines was assumed

Past Settlements

Settle Dt	Count	Issue Bal	SRP	Rate Lock Px	Total Lock Px	Svcr Buy Px	HFA Buy Px	DPA**	Extn Fee	Est HFA Gain*	Premium***
5/13/2020	10	$1,263,794	0.85000	102.80026	103.65026	101.75000	100.90000	-	0.01190	1.91217	$35,390
6/11/2020	6	$674,499	0.85000	102.43589	103.28589	101.75000	100.90000	-	0.07626	1.61215	$16,430
7/9/2020	16	$2,280,709	0.85000	103.08898	103.93898	101.75000	100.90000	-	0.19974	2.38871	$70,451
8/10/2020	18	$2,286,031	0.85000	103.17529	104.02529	101.75000	100.90000	-	0.15852	2.43381	$72,588
9/9/2020	10	$1,253,509	0.85000	103.15454	104.00454	101.75000	100.90000	-	0.10941	2.36394	$39,542
10/8/2020	7	$1,188,201	0.85000	103.11365	103.96365	101.75000	100.90000	-	0.11913	2.33278	$36,996
11/9/2020	10	$1,452,939	0.85000	102.78461	103.63461	101.75000	100.90000	-	0.11896	2.00357	$40,459
12/10/2020	12	$1,672,150	0.85000	102.81344	103.66344	101.75000	100.90000	-	0.13860	2.05204	$47,045
1/11/2021	9	$1,465,299	0.85000	102.83023	103.68023	101.75000	100.90000	-	0.12573	2.05596	$41,471
2/8/2021	12	$1,943,856	0.85000	102.77026	103.62026	101.75000	100.90000	-	0.22338	2.09364	$53,850

Past Settlements

Settle Dt	Count	Issue Bal	SRP	Rate Lock Px	Total Lock Px	Svcr Buy Px	HFA Buy Px	DPA**	Extn Fee	Est HFA Gain*	Premium***
3/26/2021	31	$4,588,271	0.85000	102.90661	103.75661	101.75000	100.90000	-	0.17559	2.18220	$133,363
4/9/2021	6	$636,815	0.85000	102.80623	103.65623	101.75000	100.90000	-	0.33040	2.23662	$17,870
5/10/2021	4	$718,176	0.85000	103.60583	104.45583	101.75000	100.90000	-	0.10766	2.81349	$25,896
6/9/2021	14	$1,973,031	0.85000	103.48023	104.33023	101.75000	100.90000	-	0.12235	2.70257	$68,666
7/9/2021	17	$3,058,970	0.85000	102.97082	103.82082	101.75000	100.90000	-	0.25799	2.32881	$90,877
8/9/2021	8	$1,426,709	0.85000	103.09890	103.94890	101.75000	100.90000	-	0.16256	2.36147	$44,212
9/9/2021	12	$1,653,906	0.85000	102.86556	103.71556	101.75000	100.90000	-	0.16366	2.12922	$47,394
10/8/2021	6	$902,088	0.85000	103.11551	103.96551	101.75000	100.90000	-	0.21258	2.42809	$28,105
11/5/2021	14	$2,099,226	0.85000	103.18731	104.03731	101.75000	100.90000	-	0.10269	2.39000	$66,909
12/8/2021	12	$1,748,549	0.85000	102.91839	103.76839	101.75000	100.90000	-	0.10533	2.12372	$51,030
1/10/2022	8	$1,257,053	0.85000	102.72884	103.57884	101.75000	100.90000	-	0.06710	1.89594	$34,303
2/9/2022	11	$2,007,393	0.85000	102.89980	103.74980	101.75000	100.90000	-	0.12045	2.12025	$58,210
3/9/2022	10	$1,468,123	0.85000	102.44188	103.29188	101.75000	100.90000	-	0.07680	1.61868	$35,850
5/9/2022	17	$3,187,200	0.85000	102.69414	103.54414	101.75000	100.90000	-	0.16441	1.95855	$85,868
6/8/2022	6	$854,173	0.85000	102.62329	103.47329	101.75000	100.90000	-	0.04558	1.76887	$22,407
7/11/2022	7	$1,355,521	0.85000	101.62059	102.47059	101.75000	100.90000	-	-	0.72059	$21,967
9/9/2022	14	$2,058,306	0.85000	101.78499	102.63499	101.75000	100.90000	-	0.11409	0.99909	$36,741
10/7/2022	4	$599,339	0.85000	101.74135	102.59135	101.75000	100.90000	-	0.07198	0.91333	$10,437
11/8/2022	8	$1,573,600	0.85000	101.04293	101.89293	101.75000	100.90000	-	0.06900	0.21193	$16,412
12/8/2022	5	$694,709	0.85000	101.42801	102.27801	101.75000	100.90000	-	0.04524	0.57325	$9,921
1/9/2023	7	$873,108	0.85000	101.72354	102.57354	101.75000	100.90000	-	0.09326	0.91680	$15,048
2/8/2023	15	$2,253,454	0.85000	101.90780	102.75780	101.75000	100.90000	-	0.08429	1.09209	$42,991
3/8/2023	12	$1,839,989	0.86857	101.83113	102.69969	101.75000	100.88143	-	0.03952	0.98921	$33,693
4/10/2023	11	$2,034,137	0.89670	101.20612	102.10282	101.75000	100.85330	-	0.00412	0.35694	$24,534
5/8/2023	12	$1,897,722	0.90000	100.90367	101.80367	101.75000	100.85000	-	0.01905	0.07272	$17,149
6/8/2023	17	$2,978,748	0.90000	101.03609	101.93609	101.75000	100.85000	-	0.04117	0.22726	$30,863
7/10/2023	22	$4,326,565	0.90000	100.89675	101.79675	101.75000	100.85000	-	0.06153	0.10827	$38,798
8/9/2023	20	$3,927,809	0.90000	101.06432	101.96432	101.75000	100.85000	-	0.14798	0.36230	$41,804
9/11/2023	30	$5,323,425	0.90000	101.19784	102.09784	101.75000	100.85000	-	0.09191	0.43975	$63,766
10/6/2023	24	$4,698,110	0.90000	101.17059	102.07059	101.75000	100.85000	-	0.06440	0.38499	$54,996
11/8/2023	21	$3,529,637	0.90000	101.15250	102.05250	101.75000	100.85000	-	0.07077	0.37327	$40,679
12/8/2023	24	$3,923,423	0.90000	101.02476	101.92476	101.75000	100.85000	-	0.06724	0.24200	$40,206
1/10/2024	18	$3,534,028	0.90000	100.91719	101.81719	101.75000	100.85000	-	0.17556	0.24275	$32,414
2/9/2024	36	$6,440,644	0.90000	101.07659	101.97659	101.75000	100.85000	-	0.04698	0.27357	$69,339
3/8/2024	19	$3,086,468	0.93034	101.15612	102.08646	101.75000	100.81966	-	0.00965	0.34611	$35,683
4/8/2024	19	$3,019,105	0.92684	101.04622	101.97307	101.75000	100.82316	-	0.08289	0.30596	$31,587
5/8/2024	20	$3,682,801	0.95000	101.14821	102.09821	101.75000	100.80000	-	0.02309	0.37130	$42,286
6/10/2024	22	$4,642,245	0.95000	101.21597	102.16597	101.75000	100.80000	-	0.04303	0.45900	$56,448
7/10/2024	10	$1,788,688	0.95000	101.36078	102.31078	101.75000	100.80000	-	0.04184	0.60262	$24,340
8/8/2024	16	$2,992,135	0.95000	101.22027	102.17027	101.75000	100.80000	-	0.08082	0.50109	$36,512
9/11/2024	19	$3,722,960	0.95000	101.10838	102.05838	101.75000	100.80000	-	0.14639	0.45476	$41,265
10/9/2024	22	$3,951,119	0.95000	101.22268	102.17268	101.75000	100.80000	-	0.13830	0.56097	$48,309
11/8/2024	21	$4,187,512	0.95000	101.41522	102.36522	101.75000	100.80000	-	0.12425	0.73947	$59,263
12/9/2024	14	$2,711,196	0.95000	101.55669	102.50669	101.75000	100.80000	-	0.04505	0.80174	$42,205
1/9/2025	19	$3,408,516	0.95000	101.26895	102.21895	101.75000	100.80000	-	0.16177	0.63071	$43,252
2/10/2025	11	$2,021,983	0.95000	101.21223	102.16223	101.75000	100.80000	-	0.05515	0.46739	$24,511
3/10/2025	8	$1,601,058	0.95385	101.14445	102.09831	101.75000	100.79615	-	0.07164	0.41995	$18,323
4/9/2025	2	$442,838	1.00000	101.28353	102.28353	101.75000	100.75000	-	-	0.53353	$5,684
5/8/2025	6	$1,263,480	0.98426	101.01566	101.99991	101.75000	100.76574	-	0.18231	0.43222	$12,833
6/9/2025	5	$1,126,023	1.00000	101.22242	102.22242	101.75000	100.75000	-	0.03618	0.50860	$13,765
7/9/2025	12	$2,307,336	1.00000	101.28338	102.28338	101.75000	100.75000	-	0.07993	0.61331	$29,612
8/8/2025	17	$3,380,792	1.00000	101.48918	102.48918	101.75000	100.75000	-	0.19250	0.93168	$50,346
9/10/2025	13	$3,203,234	1.00000	101.90824	102.90824	101.75000	100.75000	-	0.18523	1.34347	$61,125
10/8/2025	7	$1,309,585	1.00000	102.29359	103.29359	101.75000	100.75000	-	0.12864	1.67223	$30,036
11/7/2025	7	$1,189,287	1.00000	102.06856	103.06856	101.75000	100.75000	-	0.17996	1.49851	$24,601
12/8/2025	4	$816,900	1.00000	101.73997	102.73997	101.75000	100.75000	-	-	0.98997	$14,214

Past Settlements

Settle Dt	Count	Issue Bal	SRP	Rate Lock Px	Total Lock Px	Svcr Buy Px	HFA Buy Px	DPA**	Extn Fee	Est HFA Gain*	Premium***
1/15/2026	8	$1,485,165	1.00000	101.41507	102.41507	101.75000	100.75000	-	0.13753	0.80259	$21,016
2/13/2026	7	$1,408,313	1.00000	101.78146	102.78146	101.75000	100.75000	-	0.09081	1.12227	$25,089
3/13/2026	5	$1,169,218	1.00000	101.73274	102.73274	101.75000	100.75000	-	0.23405	1.21679	$20,259
4/14/2026	4	$920,303	1.00000	102.06797	103.06797	101.75000	100.75000	-	0.08388	1.40185	$19,032
5/14/2026	7	$1,297,846	1.00000	102.04201	103.04201	101.75000	100.75000	-	0.14090	1.43291	$26,502
6/12/2026	7	$1,400,960	1.03901	101.62918	102.66818	101.75000	100.71099	-	0.17867	1.09685	$22,824

Est HFA Gain*: This is an estimate only
DPA**: For first mortgages where a DPA amount could not be found, a DPA loan of the percent based on program guidelines was assumed
Premium***: This is simply (Rate Lock Px - 100) / 100 * Issue Bal

COLLATERAL

Original Balance Distribution

Orig Balance	Count	Balance	Percent
<= $100,000	2	$172,750	1.9%
<= $150,000	5	$666,605	7.3%
<= $200,000	6	$1,079,890	11.8%
<= $250,000	9	$2,099,375	23.0%
<= $300,000	11	$2,997,894	32.9%
<= $350,000	4	$1,291,003	14.1%
> $350,000	2	$816,905	9.0%
Max: $427,405 || Min: $78,660 || WAvg: $233,959			

Gross Rate Distribution

Gross Rate	Count	Balance	Percent
6.1250	1	$227,905	2.5%
6.2500	4	$894,150	9.8%
6.3750	12	$3,069,430	33.6%
6.5000	16	$3,402,369	37.3%
6.6250	6	$1,530,568	16.8%

Lock Volume By Product

Product	Count	Balance	Percent
SF-CONVENTIONAL	39	$9,124,422	100.0%

Lock Volume By Property Category

Category	Count	Balance	Percent
EXISTING CONSTRUCTION	38	$8,697,017	95.3%
NEW CONSTRUCTION	1	$427,405	4.7%

BORROWER

Annual Household Income Distribution

Income	Count	Balance	Percent
<= $40,000	2	$211,065	2.3%
<= $70,000	3	$490,220	5.4%
<= $80,000	8	$1,892,623	20.7%
<= $90,000	6	$1,121,555	12.3%
<= $100,000	4	$867,389	9.5%
<= $110,000	4	$1,017,825	11.2%
<= $120,000	3	$730,875	8.0%
> $120,000	9	$2,792,870	30.6%
Max: $219,197 || Min: $31,580 || WAvg: $97,106			

Age Distribution

Borr Age	Count	Balance	Percent
<= 25	4	$1,005,005	11.0%
<= 30	11	$2,463,700	27.0%
<= 35	6	$1,228,159	13.5%
<= 40	7	$1,764,465	19.3%
<= 45	3	$705,310	7.7%
<= 50	1	$329,800	3.6%
<= 55	2	$595,483	6.5%
<= 60	2	$412,735	4.5%
> 60	2	$350,590	3.8%
Max: 71 || Min: 0 || WAvg: 36			

FICO Distribution

Borr FICO	Count	Balance	Percent
<= 660	1	$224,200	2.5%
<= 680	4	$961,935	10.5%
<= 700	4	$1,024,005	11.2%
<= 720	7	$1,420,205	15.6%
<= 740	5	$1,226,774	13.4%
<= 760	4	$1,048,638	11.5%
<= 780	7	$1,365,460	15.0%
<= 800	5	$1,295,690	14.2%
> 800	2	$557,515	6.1%
Max: 811 || Min: 652 || WAvg: 736			

Lock Volume By Borr Ethnicity

Ethnicity	Count	Balance	Percent
WHITE	25	$5,442,157	59.6%
HISPANIC	9	$2,406,020	26.4%
OTHER	3	$906,675	9.9%
ASIAN	1	$185,270	2.0%
AMERICAN INDIAN	1	$184,300	2.0%

Lock Volume By Marital Status

Status	Count	Balance	Percent
Married	22	$5,029,665	55.1%
Unmarried	16	$3,912,397	42.9%
Single	1	$182,360	2.0%

Lock Volume By Borrower Gender

Gender	Count	Balance	Percent
M	17	$4,153,178	45.5%
F	15	$3,741,389	41.0%
	7	$1,229,855	13.5%

Lock Volume By Household Size

Size	Count	Balance	Percent
1	12	$2,706,857	29.7%
2	15	$3,231,545	35.4%
3	4	$924,410	10.1%
4	7	$1,976,705	21.7%
5	1	$284,905	3.1%

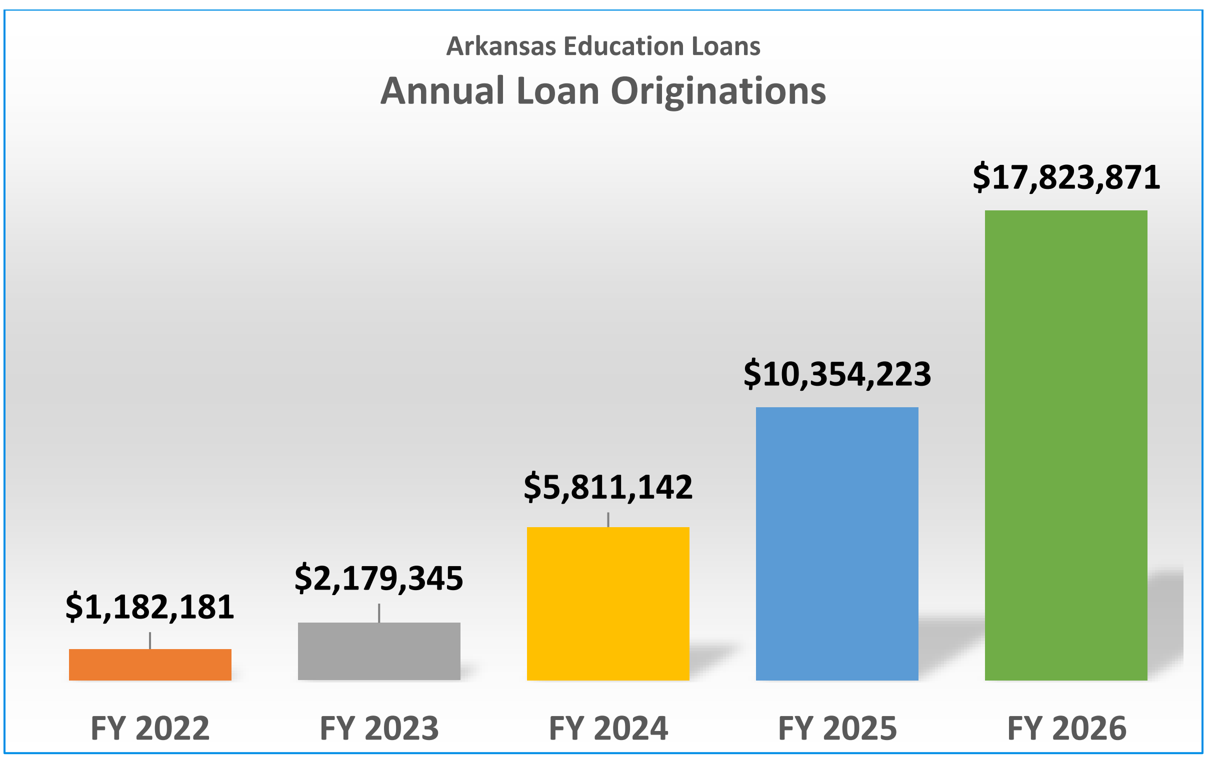
Arkansas Student Loan Authority (ASLA)

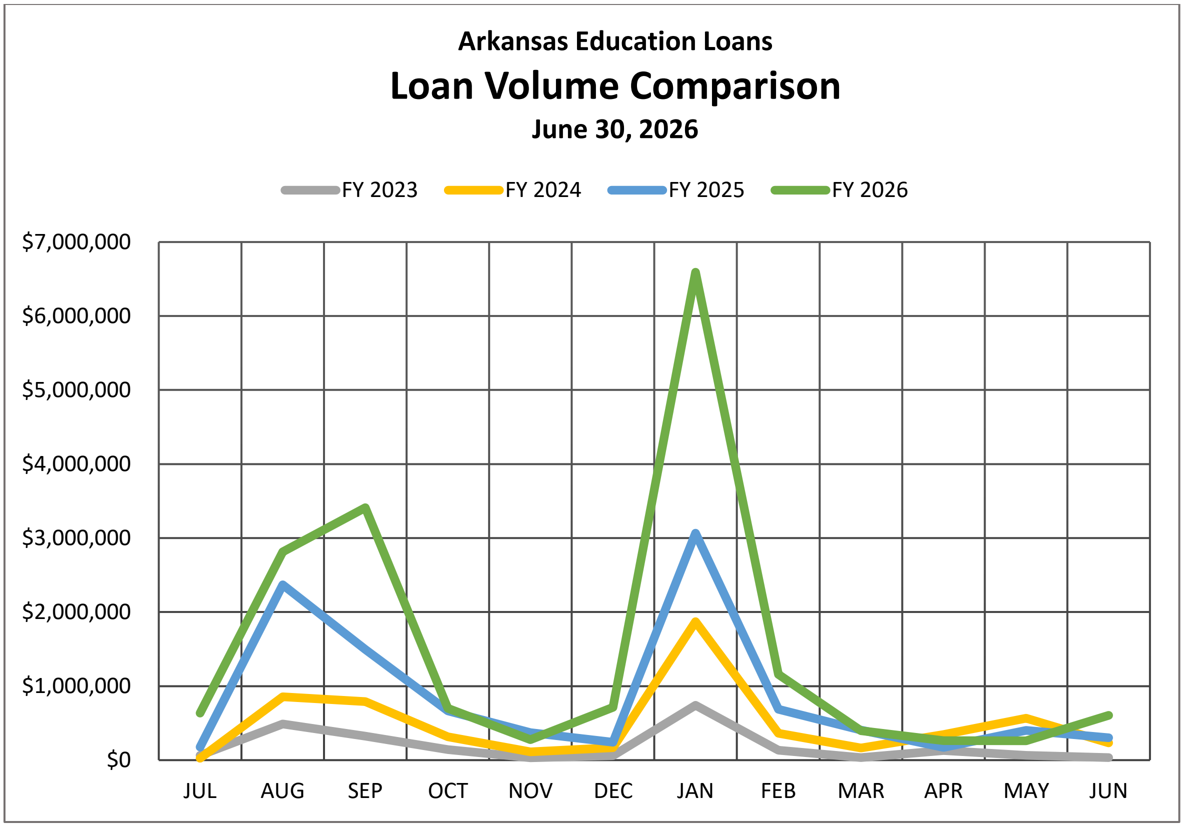
To:	**ADFA Board of Directors**
From:	**Tony Williams, Director - Student Loan Authority Division**
Re:	**Monthly Board Meeting Memorandum**
Date:	**July 7, 2026**

Final Loan Volume for FY2026

Loan volume for **FY2026** totaled **$17,823,871**, representing a **72%** increase over **FY2025**. Below you will see the loan volume and percentage increase over the previous year for each of the last four fiscal years.

- FY 2026 $17,823,871 72% Increase
- FY 2025 $10,354,223 78% Increase
- FY 2024 $5,811,142 167% Increase
- FY 2023 $2,179,345 84% Increase




Arkansas Education Loans
Loan Volume Comparison
June 30, 2026
FY 2023
FY 2024
FY 2025
FY 2026
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
JUL
AUG
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JAN
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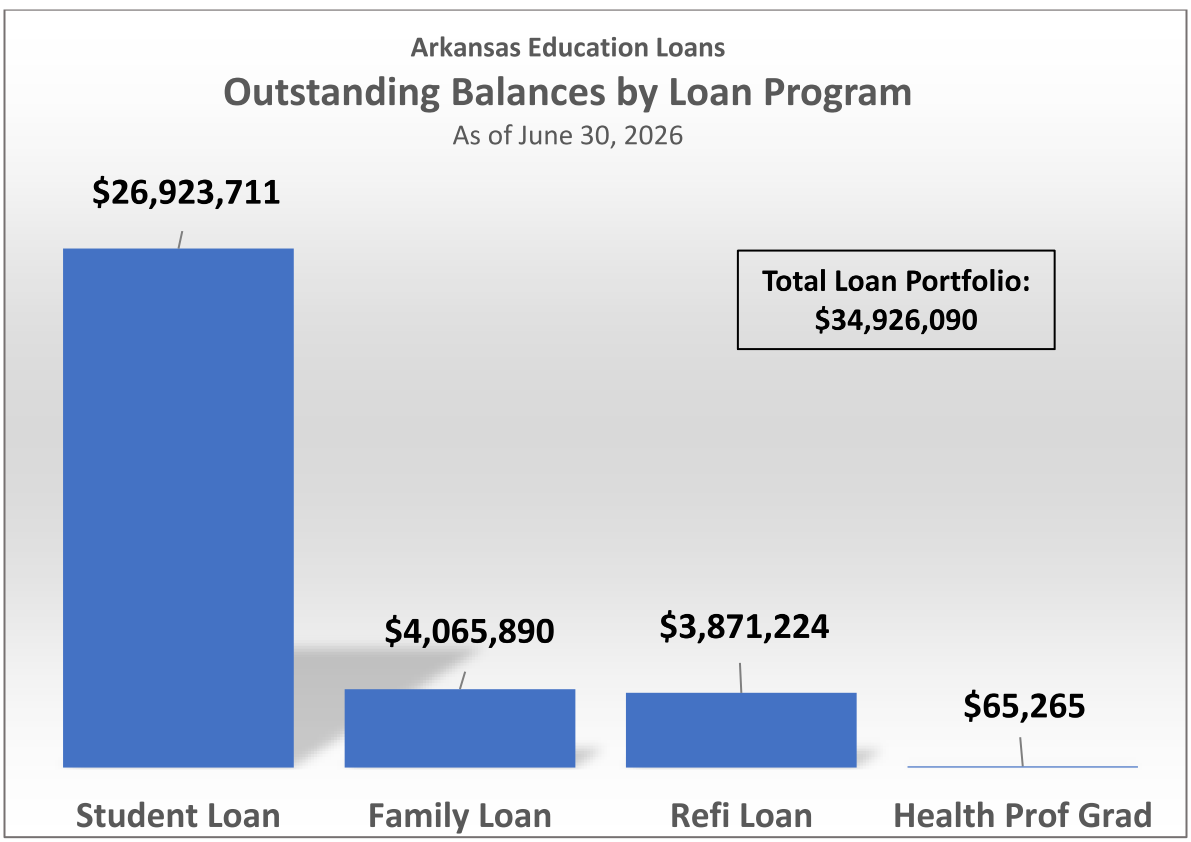
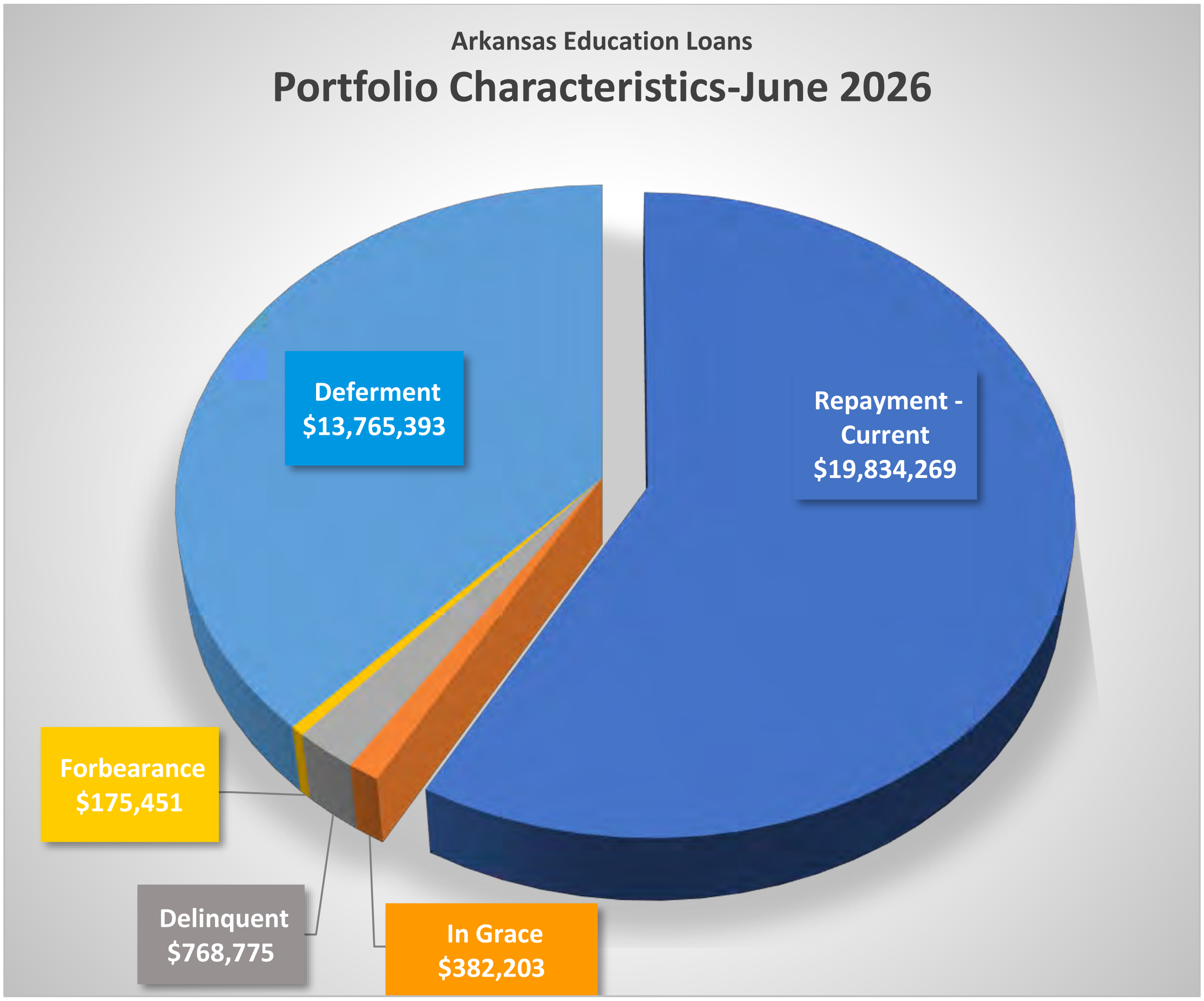
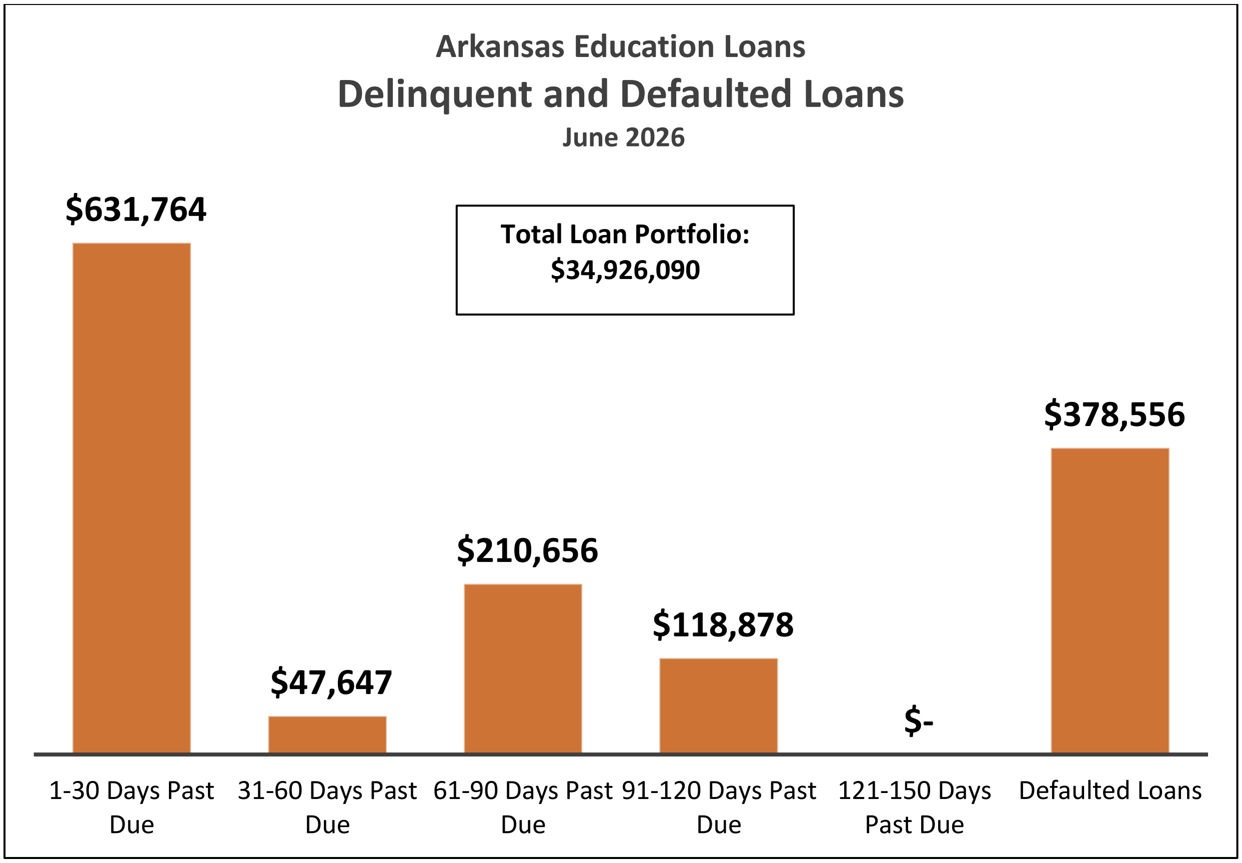
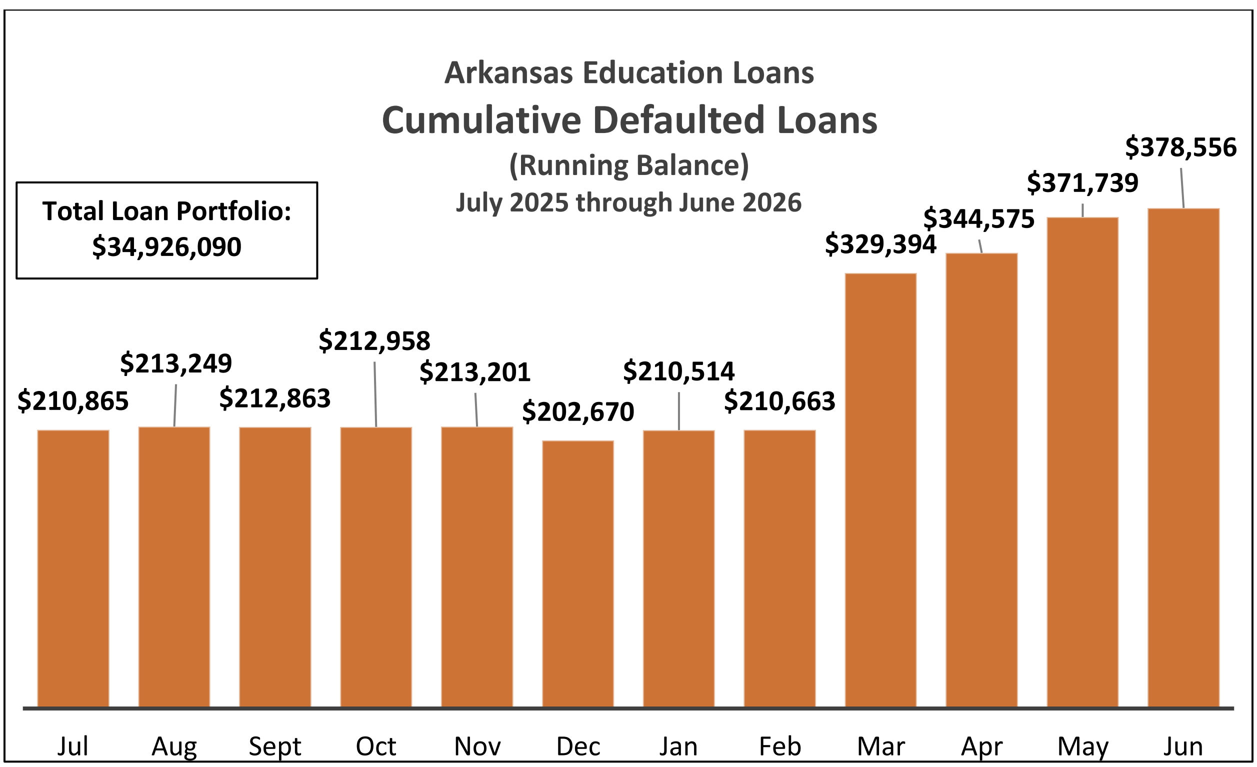
MAR
APR
MAY
JUN


Arkansas Education Loans
Outstanding Balances by Loan Program
As of June 30, 2026
$26,923,711
Total Loan Portfolio:
$34,926,090
$4,065,890
$3,871,224
$65,265
Student Loan
Family Loan
Refi Loan
Health Prof Grad



Portfolio Characteristics - Month Ending June 2026				
	# of Loans	Principal	Interest	Total
Repayment - Current	1457	$ 19,778,246	$ 56,023	$ 19,834,269
In Grace	39	$ 381,244	$ 958	$ 382,203
Delinquent	60	$ 745,327	$ 23,448	$ 768,775
Forbearance	14	$ 167,663	$ 7,788	$ 175,451
Deferment	1003	$ 12,947,665	$ 817,728	$ 13,765,393
TOTAL	**2573**	**$ 34,020,145**	**$ 905,945**	**$ 34,926,090**


Arkansas Education Loans
Delinquent and Defaulted Loans
June 2026
Total Loan Portfolio: $34,926,090
$631,764
$47,647
$210,656
$118,878
$-
$378,556
1-30 Days Past Due
31-60 Days Past Due
61-90 Days Past Due
91-120 Days Past Due
121-150 Days Past Due
Defaulted Loans


Arkansas Education Loans
Cumulative Defaulted Loans
(Running Balance)
July 2025 through June 2026
Total Loan Portfolio: $34,926,090
$210,865
$213,249
$212,863
$212,958
$213,201
$202,670
$210,514
$210,663
$329,394
$344,575
$371,739
$378,556
Jul
Aug
Sept
Oct
Nov
Dec
Jan
Feb
Mar
Apr
May
Jun

Delinquency & Default Report

Days Delinquent	31 - 60	61 - 90	91 - 120	121 - 150	Defaulted Loans
Delinquent Loan Amount	$ 47,647	$ 210,656	$ 118,878	$ 0.00	$ 378,556
As a % of Loans in Repayment Status	0.24%	1.06%	0.60%	0.0%	1.91%
As a % of Total Loan Portfolio	0.14%	0.60%	0.34%	0.00%	1.08%

Loans in Repayment Status	$ 19,834,269
Total Loan Portfolio	$ 34,926,090

Annual Adjustment of Loan Loss Reserve

The amount in ASLA's **Loan Loss Reserve** (also known as the **Provision for Loan Losses**) is traditionally recalculated at fiscal year-end and reflected in the June 30 financial statements. The reserve amount is calculated as 7.0% of the total outstanding loan balance. Based on the outstanding loan balance, the Loan Loss Reserve will increase to $2,381,410 in FY2027. The Loan Loss Reserve was $1,315,100 during FY2026.

The decision to write-off bad debt is made on a case-by-case basis; only two loans have been written-off since ASLA's private student loan program was launched in 2020. The two loans were written off in FY2026 in the amount of $15,741; both loans were made fraudulently by an individual enrolled in online classes.

The statute of limitations for initiating legal action against a defaulted borrower is five years from the date of the last payment made prior to default. However, there is no statute of limitations preventing the collection of student loan debt through standard collection efforts as long as legal action is not pursued.

Below are a few projects in progress.

Website Renovation – The purpose of this project to refresh the appearance and improve functionality of the website. ASLA is working with ADFA consultant, Ben Hollowell, on the initial design.
Estimated Completion Date: Early 2027

Program Manual for Health Professions Grad Loan – ASLA is working with our student loan compliance consultant (Evidens Group) to develop a program manual for the Health Professions Grad Loan.
Estimated Completion Date: Fall 2026

How To Pay For College: A Guide For Arkansas Students – Final edits are being made to ASLA's annual publication. The 2026-27 edition of the 16-page booklet should be available in August. Approximately 55,000 booklets will be printed for the upcoming academic year.

Additional Staff Position - The position of **College Planning Advisor** is currently being advertised. The advisor will assist families in identifying college funding opportunities, understanding college costs, completing financial aid applications, and developing strategies to minimize out-of-pocket educational expenses. The position will enable ASLA to expand its College Planning Services program in order to assist more Arkansas families.
Estimated Hire Date: August 2026

New Payment Plan – ASLA is working with its loan servicer to add a new payment option that will allow borrowers to make monthly payments of $25 while enrolled in school. This plan will be in addition to the existing in-school payment options, which are:

- Deferred Payment Plan - no payments required until six months after leaving school
- Interest Only Payment Plan - interest-only payments during school - full payments required six months after leaving school
- Immediate Payment Plan - full payments begin after first semester

The Deferred Payment Plan is the most popular option chosen by borrowers while also being the least economically advantageous. We are hopeful the new **$25 Monthly Payment Plan** will be viewed as an affordable option that helps borrowers develop a habit of making monthly payments, while also reducing their overall interest accrual during the in-school period.
Estimated Completion Date: Fall 2026

COMMUNICATIONS

ADFA
ARKANSAS DEVELOPMENT FINANCE AUTHORITY

Homeloans.
Arkansas.gov

Memorandum

To:	**ADFA Board of Directors**
From:	**Derrick Rose**
Date:	**July 7, 2026**
Subject:	**Communications Report**

- After spending several weeks developing a Meta/Facebook ad campaign promoting the StartSmart Program, I finally went live on June 29. As a first phase, I targeted the market areas in and around the seven Arkansas counties that have not "YET" produced a StartSmart loan: Fulton, Izard, Lafayette, Lee, Montgomery, Newton, and Polk. The campaign features a 21-second video ad directing viewers to homeloans.arkansas.gov via a "Learn More" call to action. Since launching, the campaign has generated 26,141 impressions and 477 clicks to our landing page in its first week. Early results are encouraging, and I will continue monitoring performance closely. The campaign is being funded by $50,000 in grant funds from the Federal Home Loan Bank of Dallas's State Housing Finance Agency Education Grant.

- In the past few weeks, I've supported Ginger Burton Duncan's lender training efforts, joining her for Zoom sessions with Cadence Bank and Arvest Bank, as well as an in-person meeting with senior mortgage lending staff at Bank OZK. It's been great to see this outreach translating into real interest from lenders looking to incorporate ADFA mortgage products.

- I've been working with Ro on some ADFA-branded item projects, including a few surprises in store for our October board retreat.

- Following ADFA's May board meeting, I wrote and distributed a statewide press release announcing the award of $13.3 million in 9% Low Income Housing Tax Credits. The release was picked up by media outlets statewide and was even featured in national trade publications, including Affordable Housing Finance. I've included a couple of the resulting news clippings along with my other attached clippings following this report.

S&P Global   Explore S&P Global

26-Jun-2026 | 15:46 EDT

Arkansas Series 2026 Water, Waste Disposal, And Pollution Abatement Facilities GO Bonds Assigned 'AA+' Rating

View Analyst Contact Information

Table of Contents+

- S&P Global Ratings assigned its 'AA+' long-term rating to the State of Arkansas' proposed $48.5 million series 2026 water, waste disposal, and pollution abatement facilities general obligation (GO) bonds.
- At the same time, we affirmed our 'AA+' long-term rating on the state's GO debt outstanding.
- We also affirmed our 'AA' long-term rating on the Arkansas Development Finance Authority's (ADFA) lease-backed bonds, and our 'AA-' long-term rating on the ADFA state agencies facilities revenue refunding and construction bonds (justice building project).
- The outlook on all ratings is stable.

DENVER (S&P Global Ratings) June 26, 2026--S&P Global Ratings today took the rating actions listed above.

Arkansas' environmental, social, and governance factors do not have a material influence on the state's credit profile.

The stable outlook reflects our expectation that Arkansas' economic fundamentals will remain at least stable, reserves will be maintained at levels sufficient to cushion against a potential downturn, and officials will continue to prioritize structural balance.

We could take a negative rating action if Arkansas is unable to sustain favorable financial performance and strong reserves .

We could take a positive rating action if the state's economic metrics perform well compared with those of the U.S., resulting in GSP and income metrics that are more in line with national averages.

The Sentinel-Record

Mountain View Heights partner denies eligible renters, Hot Springs Housing Authority says

June 25, 2026 by David Showers

The Hot Springs Housing Authority says Mountain View Heights management is denying rental applications that qualify for Section 8 project-based vouchers. (The Sentinel-Record/David Showers)

The Hot Springs Housing Authority said its partner in the project that converted the city's public housing to private ownership is denying housing to qualified applicants.

At its June 15 Board of Commissioners meeting, the housing authority said the company that manages the 365 units at Mountain View Heights has rejected applicants who meet U.S. Department of Housing and Urban Development Section 8 requirements.

Section 8 is an income-based rental program that pays the difference between the 30% of adjusted gross income participants contribute and payment standards based on fair market rents HUD establishes for an area.

"They're denying them for income and other reasons when they're already qualified for Section 8," Housing Authority Executive Deputy Director Vanessa Cloud told the board. "They're denying them faster than we can give them."

The Mountain View Heights LP ownership structure was created in 2018 under HUD's Rental Assistance Demonstration, or RAD, program to help issue tax credits. A syndicate managed by Royal Bank of Canada bought the credits and provided $19 million in equity for the renovation of all 365 units, which was completed in 2019.

Knight Development is the general partner in Mountain View Heights LP, while the housing authority is the minority partner.

A Knight Development Co. spokesperson said the management company it hired uses stricter screening rules than the housing authority. Knight said it hired AOG Living of Houston to manage the units.

The company said automatic disqualifiers include eviction from federally subsidized housing within the past three years, unpaid balances owed to other rental complexes or mortgage companies, and a pattern of evictions within the past five years.

"It is the responsibility of landlords to ensure that applicants are suitable for residency and demonstrate the ability to fulfill their obligations as tenants," Knight Development said in an email.

"Mountain View Heights staff attend scheduled applicant voucher briefings conducted by the housing authority and inform prospective residents of the property's tax credit eligibility requirements. Applicants are provided with a list of documents needed for their tax credit qualification appointment."

The housing authority told its board that evictions are not an automatic disqualifier under its screening process.

The housing authority no longer owns the units outright. Recruiting and reviewing tenants for Section 8 eligibility and inspecting the units are its primary functions. Knight Development manages the units and collects rents.

Board Chair LaTaschya Harris said the two sets of rules need to be brought together for applicants. The dispute over eligibility rules is the latest disagreement between the housing authority and its RAD partner.

"It seems like a conversation needs to be had if we're working together to help tenants," Harris said. "Let's look side by side, so we can set the tenants up for success. Maybe there's a conversation to be had with your caseworkers and their caseworkers."

The housing authority said AOG's criteria seems to shift when it brings in new staff.

"We've had conversations in the past," Housing Program Manager Ashley McDonald told the Board of Commissioners. "Each time they get new people in the office here locally, I feel like things change. They have a terrible turnover rate."

The housing authority said inspections this spring found 15 vacant units that had been marked as occupied. It is unclear whether Mountain View Heights LP received Housing Assistance Payments from HUD for the vacant units.

"Management conducts weekly inspections of units with delinquent rent balances every Wednesday morning to identify potential abandonment," Knight Development said in an email.

"When appropriate, an abandonment notice is posted. Upon expiration of the notice period, management completes the move-out process and notifies the Housing Authority of Hot Springs that the unit has been abandoned," it said.

The housing authority has said vacant units are not being prepared for rent quickly enough. AOG Living has said the housing authority has not kept a large enough pool of qualified applicants to fill the units.

The occupancy report at the June 15 meeting showed 52 of the 365 units were vacant at the end of May. Occupancy fell each month during the first five months of the year, dropping from 91.2% in January to 85.8% in May.

The inability to maintain occupancy levels required by the RAD agreement has delayed developer fees the housing authority expected to replace HUD operating and capital subsidies that were lost when the units were converted to private ownership.

Executive Director Linda Langan said LaTonya Smith of Knight Development will be attending the board's August meeting. Knight Development confirmed Smith's attendance. The board doesn't meet in July.

"I hope you lay everything out, so she leaves here with a clear picture of what we're dealing with and how challenging that can be," Chairwoman Harris told Langan.

Additionally, the Arkansas Development Finance Authority said Mountain View Heights was fined $650 for not meeting requirements after an April 16 inspection.

ADFA, the state agency that issued the tax credits that funded the renovation, said the penalty was based on problems found in 13 of the 22 units it inspected.

The inspection summary provided in response to a records request listed two serious problems. One was a fire exit door in the senior high-rise that was being held open by an object. The other was an extensive cockroach infestation.

ADFA also assessed $3,600 in noncompliance fees after a 2023 inspection.

THE PINE BLUFF COMMERCIAL

Pine Bluff neighborhoods sue to block proposed 120-unit housing development

By Luke Matheson·News·June 15, 2026

Save Official PDF

Residents of three Pine Bluff neighborhoods have filed a lawsuit seeking to halt a proposed 120-unit housing development on West 73rd Avenue, arguing unresolved sewer capacity, flooding, traffic and environmental concerns could place nearby homes and public health at risk.

The lawsuit was filed June 11 in 11th West Circuit Court by residents and homeowners associated with Rosswood Colony, Deerfield and Foxboro Estates. They are represented by Little Rock attorney Leon Jones Jr.

Pine Bluff Housing Partners I LLC, PK Companies and Newcap Investment Partners are named as defendants. The companies are identified in the complaint as developers or entities affiliated with the proposed project.

The development, referred to in court documents as Southeast Estates Senior Cottages or the West 73rd Project, is planned near 1701 W. 73rd Ave. The complaint says the project would include approximately 120 residential units, divided between 60 senior housing units and 60 family housing units.

The project site is near Friendship Aspire Academy Southeast Campus and residential subdivisions whose residents have previously raised concerns about flooding, drainage, traffic and emergency access.

The lawsuit asks a judge to issue a temporary restraining order, followed by preliminary and permanent injunctions, preventing the developers from beginning or continuing construction, grading, utility connections, site mobilization or other work that could substantially alter the property.

The plaintiffs are also asking the court to require that wastewater capacity concerns be resolved and federal environmental-review requirements completed before the project moves forward. They further ask for time to hire an independent engineer to review the proposed site and its possible effects on neighboring properties.

At the center of the lawsuit is whether existing sewer infrastructure can support the proposed development without increasing the possibility of wastewater backups or sanitary sewer overflows.

The complaint cites technical concerns identified by Pine Bluff Wastewater Utility during its review of project submissions. According to the lawsuit, the utility issued deficiency notices in December 2025 and January 2026 and later determined that survey work submitted for the project was incorrect.

The filing states that developers presented a revised scope of work March 31 after receiving repeated requests to address those concerns.

According to the complaint, the wastewater utility's engineering review identified capacity limitations in gravity sewer lines downstream from the proposed project. Those limitations allegedly create the possibility of surcharge conditions, inadequate wastewater velocities and sanitary sewer overflows under current and projected use.

The lawsuit contends no permits, approvals or construction work should proceed until the sewer limitations are resolved and engineers determine the downstream system is adequate to handle the additional demand.

The lawsuit also points to a Pine Bluff City Council resolution adopted in January opposing the project at the West 73rd Avenue location at that time.

According to the complaint, the resolution cited unresolved concerns involving wastewater capacity, infrastructure, traffic, emergency access and compatibility with the surrounding area.

The resolution requested that the Arkansas Development Finance Authority and the U.S. Department of Housing and Urban Development refrain from approving or releasing federal funds until the wastewater issues were resolved and environmental documents addressed the project's effects on public services.

The lawsuit does not claim the City Council's resolution permanently prohibited the development. Instead, the plaintiffs argue it reflects the city's official concern that the project should not proceed until infrastructure and environmental questions are addressed.

Residents also contend the development could worsen existing drainage problems in nearby neighborhoods.

The complaint specifically references chronic flooding concerns in Deerfield and alleges that clearing, grading or reconfiguring the development site could change stormwater runoff patterns.

Once the land is altered, the plaintiffs argue, surrounding properties could face increased flooding and drainage burdens that could not easily be corrected through financial compensation after the fact.

That argument forms the basis of the plaintiffs' request for immediate injunctive relief. They contend a court order is needed before construction begins because the resulting harm could be irreversible.

The lawsuit also includes public- and private-nuisance claims.

Under the public-nuisance claim, the plaintiffs allege proceeding with the project despite identified sewer limitations and neighborhood flooding concerns would unreasonably interfere with public health, safety and welfare.

The private-nuisance claim focuses on the residents' use and enjoyment of their own homes. The plaintiffs allege the development could create increased flooding, drainage problems, traffic, noise and safety concerns, particularly because of the project's location near a school and established residential areas.

The complaint also raises questions about compliance with federal environmental procedures governing projects receiving assistance through HUD or state-administered housing programs.

The plaintiffs cite federal regulations requiring environmental review, public notices and opportunities for public comment before certain federal funds may be released or project commitments made.

Under those regulations, a finding that a project will have no significant environmental impact generally must be made available for public review. A notice of intent to request the release of federal funds may also be required before financing or project activity proceeds.

The lawsuit states that published notices generally require minimum public-comment periods, including at least 15 days for a published finding of no significant impact and at least seven days for a published notice of intent to request the release of funds. Longer periods may apply when notices are mailed or posted, and exceptional circumstances can require a 30-day review period.

The residents argue that developers should be prohibited from taking what federal regulations describe as "choice-limiting actions" before the environmental process is complete and release-of-funds approval has been issued.

Such actions could include grading, clearing, construction mobilization, utility work, contracting or committing federal or nonfederal money in a way that would limit consideration of alternatives.

The plaintiffs contend that beginning work before the environmental review is completed would effectively predetermine the use of the site and make it more difficult to consider moving or redesigning the project.

The complaint asks the court to declare that the defendants may not begin or continue project activity until applicable environmental notices have been published, public-comment and objection periods have ended and required release-of-funds approvals have been granted.

The residents also ask the court to consider ordering the project moved to an alternative location.

The plaintiffs argue that temporarily stopping the development would cause less harm than allowing work to begin before the dispute is resolved. They maintain that preserving the property in its current condition would allow engineering and environmental questions to be examined without exposing neighboring homes to added risk.

Along with the injunctions, the lawsuit seeks attorney's fees and any other relief the court determines is appropriate.

magnolia reporter .com

Mike McNeill's Diary for Monday, June 8, 2026: Expanding on the Enclave Estates story

- Jun 8, 2026

Mike McNeill is publisher and editor of magnoliareporter.com.

Emails often cross our desk that only reveal a **small part of a much larger story**. We got one like that last week from the Arkansas Development Finance Authority. It noted that a project in Magnolia called "Enclave Estates" was one of 12 around the state receiving federal tax credits from the agency. The big question was unanswered: A tax credit for what? Fortunately, the ADFA happily complied with our request for more information, in the form of an 18-page application that a company called Cubit Development Group had filed with the agency in its bid to receive a tax credit for the project. Cubit says it plans to build an almost $13 million, 60-unit (61 if you include the on-site manager's apartment), two-story townhouse development on acreage west of Lelia Street. Cubit plans a total of 10 buildings of two- and three-bedroom townhouses, including a clubhouse and other infrastructure. **CLICK HERE to read our Sunday news article about this project.** So how big is that, really? The last large apartment complex built in Magnolia was the Preston Apartments off Renfroe Street in 2015. It was a $4 million project with 40 apartments in five two-story buildings. The Preston Apartments sits on 6.9 acres. **CLICK HERE to read our 2014 article about plans for the Preston Apartments**. If it gets built, Enclave Estates would be the largest non-student apartment project in the city's history. If it gets built. Through the years, there have been attempts to build large apartment complexes off College View, Dudney Road and – if memory serves – even the Lelia Street site. None of them happened for a variety of reasons, from zoning and public opposition to interest of developers evaporating. Mayor Parnell Vann told us that no plans for this project have been presented to the city. One thing of which he's certain – if the developer wants to use Lelia Street for primary entrance and egress, forgetaboutit. Narrow cross streets at Grayson and Gladys are bottlenecks. South Dudney ends at Gladys Street. There may be workarounds. The southwest corner of the property Cubit plans to buy abuts Larry Street, which dead ends at the Cubit site. Kennedy Drive is a house-length away from the southern property line. A slight extension of South Dudney would reach the property but it would have to cross a creek to do so. Punching McArthur Street through to Leila just south of the Area Agency on Aging would be a great project and open up residential opportunities on the south side of Magnolia. One way or the other, Enclave Estates will be a big story moving forward through 2026.

magnolia reporter .com

Proposal may lead to 61-unit townhouse complex west of Lelia Street

- Mike McNeill, publisher and editor, Jun 7, 2026 Updated Jun 10, 2026

An announcement from a state agency last week may herald the construction of a $12.9 million, 60-unit townhouse style apartment complex between Lelia and Calhoun streets.

The Arkansas Development Finance Authority on May 28, 2026 awarded $13.3 million in annual federal tax credits to 12 development projects in the state.

"Unlike a one-time grant, tax credits are claimed annually over a 10-year period, meaning this year's $13.3 million award represents approximately $133 million in total investment," the ADFA said in a statement.

The Magnolia project was selected to receive a 9% Low Income Housing Tax Credit reservation for 2026.

Cubit Development Group LLC received a non-profit tax credit of $1,241,900 for the construction of "Enclave Estates at Magnolia." It was described in the ADFA statement as 60 affordable units of new row/townhouse construction.

Cubit received a similar tax credit for an almost identical project in Trumann. Of the 12 tax credit awards, the Magnolia project was the only one in the southern half of the state.

Will the project actually be built?

"I wouldn't count my chickens before they hatch," Mayor Parnell Vann said in an email to magnoliareporter.com.

"The city's not seen anything plan-related. Location is everything for success and this isn't the best location, traffic speaking. One way in, one way out is not good for emergency personnel," the mayor wrote.

ADFA provided magnoliareporter.com a copy of Cubit's tax credit application for Enclave Estates, which describes the proposal in greater detail.

The application lists the developer of Enclave Estates as Cubit Development Group LLC, headed by Christopher Tritsis of Wilmette, IL, a Chicago suburb.

Cubit Development Group and Tritsis has previously developed Enclave Estates at Batesville. Under the name of Rockwell Housing Solutions LLC, Tri, and, under the name of Rockwell Housing Solutions, has participated as a consultant for two other Arkansas projects known as Avalon at Clarksville, and Avalon at Hope.

CLICK HERE to see the Cubit Development Group website.

The application lists Enclave Estates as new construction without federal subsidies.

Sixty units are planned with a 61st unit set aside for an on-site manager.

Ten two-story buildings are planned with total residential floor area of 66,000 square feet. There will be a playground and a clubhouse with a community room and leasing office, and maintenance and storage.

Plans call for 30 two-bedroom townhouses with about 992 square feet each, and 31 three-bedroom units with about 1,208 square feet each. Five units are designated for handicap occupancy.

A total of 100 parking spaces, with 10 handicap spaces, are in the plan.

The document says that Cubit has an option or a contract to purchase the property for $499,900 from 21 Magnolia LLC of TEXarkana. The purchase option expires on December 31, 2026.

According to Columbia County Assessor records, 21 Magnolia LLC owns two parcels of land totaling about 21 acres. 21 Magnolia LLC is owned by Sylvia Hatridge of TEXarkana. The property runs along the west side of Lelia, which is south of Grayson Street.

The application says Enclave Estates is buying 5.9 acres, but it doesn't specify where the 5.9 acres is located on the 21 acres owned by 21 Magnolia LLC. The south end of the property abuts the Leila Street cul-de-sac. The west side of the property abuts Larry Street, which feeds into South Calhoun Street. The north side of the property comes within a few feet of Grayson Street, which feeds into South Dudney.

The application says that all utilities are presently available on the site, which is in a Residential 2-Medium Density Neighborhood.

"At least 40 percent of the residential units in this development are rent-restricted and to be occupied by individuals whose income does not exceed the imputed income limitation designated by the owner with respect to the respective unit, and the average of such designated limitation is 60 percent or less of area median income.

None of the low-income units will receive rental assistance, the application said.

Proposed rents are on a sliding scale based on the renter's income. They range from $370 to $1,482 for a two-bedroom, and $428 and $1,712 for a three-bedroom townhouse.

The application said money for construction will come in the form of a $12.8 million loan from Horizon Bank, and $100,000 from LIHTC Equity-Midwest Housing Equity Group.

Holding a 10 percent ownership interest in Enclave Estates will be New Foundations Housing Corporation, a 501(c)(3) nonprofit organization.

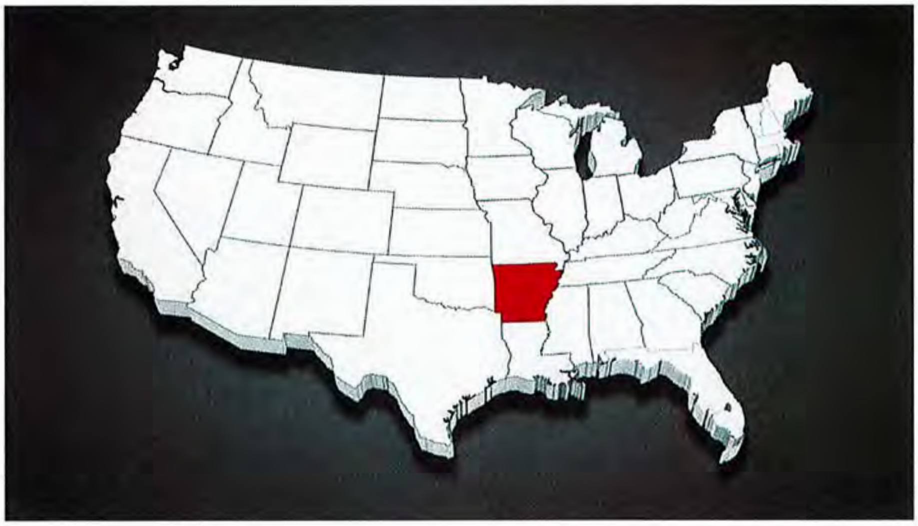
CLICK HERE to see the New Foundations website.

The application includes a proposed development timeline, assuming site acquisition by December 31, 2026. Construction would start on January 1, 2027 and be completed by December 31, 2027. The timeline anticipates full occupancy by March 31, 2028.

Arkansas Backs 12 Developments With Housing Credits

By AHF Staff Jun 3, 2026 6:56am

LIHTC Arkansas Development Finance Authority Affordable Housing



The Arkansas Development Finance Authority (ADFA) has reserved $13.3 million in federal low-income housing tax credits (LIHTCs) to 12 projects in its 2026 funding round. The housing credits are poised to help create 698 affordable homes across the state.

The developments were selected from 13 submissions requesting $14.5 million in annual credits. Approximately $1.97 million in remaining credits will carry forward to 2027.

"These awards represent a direct investment in Arkansas communities that need it most," said ADFA president Ro Arrington. "The 9% LIHTC program is one of the most effective tools we have for creating quality affordable housing, and this year's pool of projects reflects both the depth of demand and quality of the developers working in our state."

In addition to the housing credits, several 2026 recipients will receive supplemental funding through ADFA's HOME Investment Partnerships Program and the National Housing Trust Fund, which further reduces development costs and extends affordability to households with the lowest incomes, said the agency.

The 9% LIHTC recipients are:

- **Avalon at Mabelvale** by Domera Development will create 60 affordable units in Pulaski County, $1.22 million (LIHTCs);
- **Avalon Villas at Mabelvale** by Domera Development will create 62 affordable units for seniors in Pulaski County, $1.25 million (LIHTCs);
- **Briley Manor** by Phillips Development Corp. will create 71 affordable units for seniors in Pulaski County, $1.25 million (LIHTCs), $3 million (HOME), and $1 million (NHTF);
- **Enclave Estates at Magnolia** by Cubit Development Group will create 60 affordable units in Columbia County, $1.24 million (LIHTCs);
- **Enclave Estates at Trumann** by Cubit Development Group will create 60 affordable units in Poinsett County, $1.22 million (LIHTCs);
- **Iron Wheel Mountain Home** by W-HOMES will create 60 affordable units in Baxter County, $1.19 (LIHTCs), $2 million (HOME), and $563,632 (NHTF);
- **Mountain Home Senior Estates** by Upward Housing Group will create 64 affordable units in Baxter County, $1.23 million (federal LIHTCs), $246,400 (state credits), and $1.64 million (HOME);
- **Newport Apartments** by Trinity Development is a 42-unit development in Jackson County, $572,000 (acquisition/rehabilitation credits);
- **Orchards at Little Rock** by Garth Development will create 63 units for seniors in Pulaski County, $1.23 million (LIHTCs) and $2 million (HOME);
- **Spring Creek Flats** by Community Development NWA will create 24 affordable units in Washington County, $466,400 (LIHTCs);
- **Sullivan of Fayetteville** by VH Development will create 60 affordable units in Washington County, $1.21 million (LIHTCs) and $3 million (HOME); and
- **Vineyards at Little Rock** by Garth Development will create 65 affordable units in Pulaski County, $1.25 million (LIHTCs) and $2 million (HOME).

Arkansas Development Finance Authority awards $13 million in tax credits

FinanceNews BriefsTalk Politics

by **George Jared** (gjared@talkbusiness.net) May 28, 2026 6:33 pm 525 views

The Arkansas Development Finance Authority (ADFA) announced at its May board meeting the recipients of the 9% Low Income Housing Tax Credits (LIHTC) for 2026, awarding $13.3 million in annual federal tax credits to 12 developments poised to create 698 affordable housing units across the state.

Unlike a one-time grant, tax credits are claimed annually over a 10-year period, meaning this year's $13.3 million award represents approximately $133 million in total investment.

The awards were approved by ADFA's board of directors following a competitive application process administered by ADFA's Tax Credit Division. Twelve applications were selected from 13 total submissions requesting $14.5 million in annual credits. Approximately $1.97 million in remaining credits will carry forward to 2027.

"These awards represent a direct investment in Arkansas communities that need it most," said Ro Arrington, President of the Arkansas Development Finance Authority. "The 9% LIHTC program is one of the most effective tools we have for creating quality affordable housing, and this year's pool of projects reflects both the depth of demand and quality of the developers working in our state."

The LIHTC program, administered federally by the Internal Revenue Service and allocated in Arkansas by ADFA, provides tax credits to developers of affordable rental housing.

Investors purchase the credits, generating equity that reduces the need for debt financing, making it feasible to build and operate housing affordable to low- and moderate-income households.

In addition to tax credits, several 2026 recipients will receive supplemental funding through ADFA's HOME Investment Partnerships Program and the National Housing Trust Fund (NHTF), which further reduces development costs and extends affordability to households with the lowest incomes.

The following developments were selected to receive 9% Low Income Housing Tax Credit reservations for 2026:

Avalon at Mabelvale – 60 units Domera Development Garden Apartments received $1.222 million.
Avalon Villas at Mabelvale – 62 units (elderly) Domera Development received $1.247 million.
Briley Manor – 71 units (elderly) Phillips Development Corp. received $5.25 million.
Enclave Estates at Magnolia – 60 units Cubit Development Group received $1.241 million.
Enclave Estates at Trumann – 60 units Cubit Development Group received $1.222 million.
Iron Wheel Mountain Home – 60 units W-HOMES received $3.788 million.
Mountain Home Senior Estates – 64 affordable units received $3.1 million.
Newport Apartments – 42 units received $572,000.
Orchards at Little Rock – 63 affordable units (elderly) received $3.2 million.
Spring Creek Flats – 24 units received $466,400.
Sullivan of Fayetteville- 60 affordable units received $4.2 million.
Vineyards at Little Rock – 65 units received $3.25 million.