ADFA’s SCORING MATRIX FOR
NATIONAL HOUSING TRUST FUND

<table>
<thead>
<tr>
<th></th>
<th>Maximum Points Available</th>
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<tbody>
<tr>
<td>1</td>
<td>Applicant Capacity (Show successful history completing similar activities)</td>
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<tr>
<td>2</td>
<td>Ability to obligate funds and undertake eligible activities in a timely manner (Based on sufficient staffing, resources, and history of meeting project deadlines)</td>
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<td>3</td>
<td>Limitation on Beneficiaries or Preferences - (Projects serving ELI Veterans with special needs, homeless households, individuals leaving correctional institutions, and those with mental health issues. Projects affordable to households with income within ELI limits. Demonstrate with quantifiable data, specific to service area.)</td>
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<tr>
<td>4</td>
<td>Ability to Meet Needs of Beneficiaries (proximity to Veteran medical facilities, support services, Public transportation, grocery stores, and metropolitan centers giving preferential consideration to jobs for Veterans)</td>
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<td>5</td>
<td>Leveraging of Non-Federal Resources (Extent to which applicant makes use of non-federal funding sources. Use of funds from state, local publicly-controlled funds, private funds or in-kind commitments and/or land donated by state or local government to achieve deep affordability for ELI households.)</td>
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<td>6</td>
<td>Unit Distribution on Project (ELI units must be mixed, not grouped, throughout the project)</td>
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<td>7</td>
<td>Level of energy efficiency or advanced energy features (the extent to which activity adheres to energy efficiency and other environmental and sustainability standards)</td>
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<td>8</td>
<td>Reduction of developer fee / administrative costs (extent of activity budget spent for administrative costs)</td>
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<td>9</td>
<td>Feasibility of Project (Economic viability of project, development’s sources of funds equals the development’s uses of funds, developer fee deferral can be paid within the time frame allowed by IRS, the reasonableness of total development costs, inclusive of</td>
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ADFA pre-determined cost caps, repayment terms including interest rates, total debt and loan terms for all proposed debt in connection with the proposed development.) 4

10) Location of development / site visit (consideration of soil type, topography, proximity to nuisances and environmental issues) 5

11) Rental Assistance – A funding priority (10 points) will be given to applicants with projects that have secured Federal or State or local project based (PBRA) and/or voucher(s) for rental assistance so that rents are affordable to ELI Veterans. 10

12) Evidence of market need for proposed affordable housing (points will be awarded based on capture rate(s) included in the market study or needs assessment) 10

13) Duration of Affordability Period (Extent to which a project exceeds the 30 year minimum determines its duration points, to a maximum of 10 points for projects that commit to affordability in perpetuity & strength of enforcement mechanisms) 10

TOTAL POINTS POSSIBLE 100

POINTS LOST
Points will be deducted from applications that contain sites with the following negative neighborhood characteristics:

Two (2) points each will be deducted if any of the following incompatible uses are adjacent to the site. Adjacent is defined as nearby, but not necessarily touching. The following list is not all inclusive.

- Junk yard or dump
- Salvage yard
- Wastewater Treatment facility
- Distribution facilities
- Electrical utility substations
- Adult video/theater/live entertainment
- Pig or chicken farm
- Processing plants
- Industrial
- Airports
- Prison or Jail
- Solid waste disposal
One (1) point each will be deducted if any of the following incompatible uses are within .5 miles of the site. The list is not all inclusive:

- Junk yard or dump
- Pig or chicken farm
- Salvage yard
- Processing plants
- Wastewater Treatment facility
- Airports
- Prison or Jail
- Solid waste disposal

Points will not be deducted for a prison, jail or detainment facility if it is co-located with a law enforcement.

ADFA’s selection of Eligible Recipients will be based upon those applicants achieving the highest scores, and awarded in that order, until funds are depleted. The reviewing underwriter will score each application, using the Scoring Matrix.

Tie Breaker: In the event of a tie between two or more applications, the projects will be ranked in the following order, “a” through “d”, to determine which applicant will receive priority. Beginning with “a” and working through each the following tiebreakers in order of “a, b, c, and d” until the tie is broken. If the tie is broken at step “b”, there is no need to proceed further to “c” or “d” .

a) Applications received for any project within the State of Arkansas will be underwritten and scored. In the event of a tie, the award will go first to the development in one of the two major metropolitan statistical area with the least awardees. The two major metropolitan statistical areas in Arkansas are: Northwestern Arkansas area (Fayetteville, Springdale, Bentonville and Rogers); and Central Arkansas area (Little Rock, North Little Rock, Conway, Benton, and Bryant.)

b) The application with the greatest amount of additional subsidy per unit;

c) The application with a proposed project which is closest to the nearest Veterans Administration Facility;

d) The application with the fewest missing documents and/incomplete forms as determined by ADFA during the completeness review.