



April 23, 2019

Legal Opinion Letter

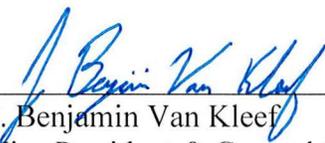
For HUD Mortgage Letter 2019-06  
and HUD Handbook 4001.1 II.A.4.d.ii and II.A.5.c.ii

As required by Mortgage Letter 2019-06 from the U.S. Department of Housing and Urban Development, this letter documents that the Arkansas Development Finance Authority ("ADFA"), is a body politic and corporate and a public instrumentality duly organized and existing under the laws of the State of Arkansas, is authorized, pursuant to Ark. Code Ann. §§ 15-5-101 et. seq., to provide a mortgage loan program to low and moderate income Arkansas by purchasing loans from originating agents provided anywhere within the boundaries of Arkansas.

This loan has been made pursuant to a mortgage loan program administered by ADFA, and utilizing funds provided by ADFA for that purpose. ADFA, in its governmental capacity, has incurred an enforceable legal liability or obligation as provided in the Legally Enforceable Obligation Letter provided with this loan.

Funds provided towards the Borrower's minimum required investment ("MRI") were funds legally belonging to ADFA and were provided in the Authority's governmental capacity in the jurisdiction in which the subject property is located. The provision of the down payment assistance is not contingent upon any future transfer of the insured First Mortgage Loan. The ADFA has, at or before closing, incurred a legally enforceable obligation to provide the funds towards the Borrower's MRI; and the ADFA has, at or before closing, authorized a draw on its account to provide the funds towards the Borrower's MRI.

I have reviewed ADFA's down payment assistance program and ADFA qualifies under Section 201(d) of the National Housing Act (12 U.S.C. §1707(d)) as an instrumentality of the State of Arkansas and ADFA's jurisdiction encompasses the entire State of Arkansas.

  
\_\_\_\_\_  
J. Benjamin Van Klee  
Vice President & General Counsel

