

MIKE BEEBE  
GOVERNOR

A. HEATH ABSHURE  
COMMISSIONER



HERITAGE WEST BUILDING, SUITE 300  
201 EAST MARKHAM STREET  
LITTLE ROCK, ARKANSAS 72201-1692  
TELEPHONE: (501) 324-9260  
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## ARKANSAS SECURITIES DEPARTMENT

May 26, 2009

Jay Poppe  
Executive Director  
Arkansas Valley Habitat for Humanity  
P.O. Box 754  
Fort Smith, AR 72902-0754

RE: Arkansas Valley Habitat for Humanity  
No Action Letter No. 09-43319-CS

Dear Mr. Poppe:

The Arkansas Securities Department ("Department") is in receipt of your letter dated May 21, 2009, requesting that the Department issue a no action letter concerning the claim of exemption from the licensing requirements contained in the Arkansas Fair Mortgage Lending Act ("FMLA") for the Arkansas Valley Habitat for Humanity. A copy of your request letter is attached for your reference.

Based on the specific facts contained in your request letter, at the present time the Staff of the Department will recommend that the Arkansas Securities Commissioner take no enforcement action against the Arkansas Valley Habitat for Humanity, if it does not obtain a license from the Department prior to engaging in the activities detailed in your request letter.

Please note that the position of the Staff of the Department is based solely upon the representations made in your request letter and applies only to the facts as set out therein. Different facts or circumstances might and often would require a different response from the Staff of the Department. The position of the Staff of the Department expressed in this letter only dealt with anticipated enforcement action by the Department. Further, the position of the Staff of the Department does not purport to be and should not be interpreted to be a legal opinion.

Sincerely,

A handwritten signature in black ink that reads "Scott S. Freydl".

Scott S. Freydl  
Staff Attorney

Attachment



Arkansas Valley  
**Habitat**  
for Humanity®  
Fort Smith, Arkansas

*Building  
houses,  
building  
hope*

RECEIVED

09 MAY 26 AM 7:57

ARKANSAS SECURITIES DEPT.

May 21, 2009

Scott Freydl  
Arkansas Securities Department  
Heritage West Building, Suite 300  
Little Rock, AR 72201-1692

Dear Scott,

My purpose in writing is to request a letter from your office specifically stating that Arkansas Valley Habitat for Humanity is exempt from the licensing requirement under the Fair Mortgage Lending Act.

The recent House Bill 1881 passed by the General Assembly of the State of Arkansas amending the Fair Mortgage Lending Act, 23-39-501, provides for an exemption of a nonprofit corporation that:

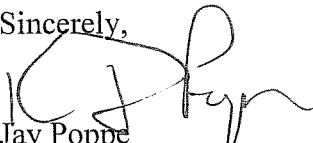
- 1) Qualifies as a nonprofit entity under 501 (c) 3 of the Internal Revenue Code,
- 2) Is not primarily in the business of soliciting or brokering mortgage loans, and
- 3) Makes or services mortgage loans to promote home ownership for the disadvantaged.

Arkansas Valley Habitat for Humanity was incorporated on June 30, 1989 and is included as an exempt subordinate under Habitat for Humanity International group exemption number 8545 as a 501 (c) 3 organization, and our registration with the AR Attorney General's office is current. The mission of Habitat for Humanity is to approve and partner with low-income families (as defined by HUD income guidelines) primarily in Sebastian and Crawford counties to help them build and own their own homes. Upon completion, the homes are financed for 20-years, with no profit added, no closing costs, and no interest charged. The affiliate does not solicit or broker mortgages.

While I am most grateful that our legislators have made provisions for exemptions in Section 1 (B) (viii) of HB 1881, I would appreciate a letter specifically identifying our Habitat affiliate as an exempt organization.

Thank you very much for your attention.

Sincerely,



Jay Poppe  
Executive Director