

ASA HUTCHINSON
GOVERNOR

B. EDMOND WATERS
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

VIA REGULAR U.S. MAIL

April 5, 2018

Michael Sullivan
Habitat for Humanity of
Greater Jonesboro
520 West Monroe
Jonesboro, AR 72401

Karyn H. Tierney
Arkansas Bar No. 2003120
ktierney@securities.arkansas.gov

RE: Habitat for Humanity of Greater Jonesboro
No Action No. 18-NA-0001

Dear Mr. Sullivan:

The Arkansas Securities Department ("Department") is in receipt of your letter dated March 28, 2018, requesting that the Department issue a no-action letter concerning Habitat for Humanity of Greater Jonesboro's claim of exemption from the licensing requirements of the Arkansas Fair Mortgage Lending Act ("AFMLA") as codified at Ark. Code Ann. § 23-39-501 through 518 due to Habitat for Humanity of Greater Jonesboro's status as a 501(c)3 nonprofit entity. A copy of the request letter is attached for reference.

Based upon the specific facts contained in your request the Staff will not recommend that the Arkansas Securities Commissioner take an enforcement against Habitat for Humanity of Greater Jonesboro 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 information provided and applies only to the facts as set out therein. Different facts or circumstances might and often would require a different response or opinion from the Staff of the Department. The position of the Staff of the Department expressed in this letter only deals 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,



Karyn H. Tierney
Arkansas Securities Department



March 28, 2018

B. Edmond Waters
Arkansas Securities Department
201 E Markham Street
Heritage West Building, Suite 300
Little Rock, AR. 72201-1692

Dear Mr. Waters,

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

The 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 disadvantaged.

Habitat for Humanity of Greater Jonesboro was incorporated on May 29, 1992 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) in Jonesboro, Arkansas to help them build and own their own homes. Upon completion, the homes are financed through Habitat with a no interest charge. 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.

Thank you for your attention.

Sincerely,

A handwritten signature in black ink, appearing to read "Micheal Sullivan". The signature is written over a horizontal line.

Micheal Sullivan
Executive Director
Habitat for Humanity of Greater Jonesboro