

ASA HUTCHINSON  
GOVERNOR

B. EDMOND WATERS  
COMMISSIONER



1 COMMERCE WAY, SUITE 402  
LITTLE ROCK, ARKANSAS 72202  
TELEPHONE: (501) 324-9260  
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## ARKANSAS SECURITIES DEPARTMENT

VIA REGULAR U.S. MAIL

December 31, 2019

Doug Foster  
Habitat for Humanity Texas, Inc.  
P.O. Box 850  
Buda, TX 78160

Karyn H. Tierney  
Arkansas Bar No. 2003120  
karyn.tierney@arkansas.gov

RE: Habitat for Humanity Texas, Inc.  
No Action No. 19-NA-0007

Dear Mr. Foster:

The Arkansas Securities Department ("Department") is in receipt of your letter dated December 16, 2019, requesting that the Department issue a no-action letter concerning Habitat for Humanity Texas, Inc.'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 Texas, Inc.'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 Texas, Inc. 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



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ARKANSAS SECURITIES DEPT.

December 16, 2019

Ms. Karyn H. Tierney  
Arkansas Securities Department  
201 E. Markham St.  
Heritage West Building, Suite 300  
Little Rock, AR 72201-1692

Dear Karyn:

My purpose in writing is to request a letter from your office specifically stating that Habitat for Humanity Texas, 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, AR Code 23-39-502(9)(B)(viii), 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.

Habitat for Humanity Texas, Inc. was incorporated on March 23, 2005 as a 501(c)3 organization. Our tax ID # is 20-2556383. We are the state support organization for all affiliates in the State of Texas. Habitat Texas is exempt from mortgage loan origination but has an active Residential Mortgage Loan Servicer Registration (NMLS#1865269) from the Texas Department of Savings and Mortgage Lending to service loans originated and owned by Texas local Habitat affiliates.

We would like to be able to service loans in the State of Arkansas for our affiliate in Texarkana. The one loan currently contemplated and any future loans Habitat Texas would potentially service in Arkansas would only be Habitat for Humanity originations.

Thank you very much for your attention.

Sincerely,

A handwritten signature in black ink that reads "Doug Foster".

Doug Foster  
Board Treasurer  
Habitat for Humanity Texas, Inc.