

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
FACSIMILE: (501) 324-9268

ARKANSAS SECURITIES DEPARTMENT

VIA REGULAR U.S. MAIL

April 1, 2019

Kimberly Miller
Universal Housing Development Corporation
301 East 3rd Street
Russellville, AR 72811

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

RE: Universal Housing Development Corporation
No Action No. 19-NA-0003

Dear Ms. Miller:

The Arkansas Securities Department ("Department") is in receipt of your letter dated March 27, 2019, requesting that the Department issue a no-action letter concerning Universal Housing Development Corporation 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 Universal Housing Development Corporation 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 of the Department ("Staff") will not recommend that the Arkansas Securities Commissioner take an enforcement against Universal Housing Development Corporation 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 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. The position of the Staff expressed in this letter only deals with anticipated enforcement action by the Department. Further, the position of the Staff does not purport to be and should not be interpreted to be a legal opinion.

Sincerely,

A handwritten signature in blue ink, appearing to read "Karyn H. Tierney", written over a blue line.

Karyn H. Tierney
Arkansas Securities Department



UNIVERSAL HOUSING DEVELOPMENT CORPORATION

301 East 3rd Street, P.O. Box 846, Russellville, AR 72811-0846 Tel.: 479-968-5001, Fax: 479-968-5002



E-mail: universalhousing@uhdc.net

March 27, 2019

E. Edmond Waters, Commissioner
Attn: Karyn Tierney
Arkansas Securities Department
201 E Markham Street
Heritage West Building, Suite 300
Little Rock, Arkansas 72201-1692

Dear Karyn,

My purpose in writing is to request a letter from your office specifically stating that Universal Housing Development Corporation (UHDC) and its employees are exempt from the licensing requirement under the Fair Mortgage Lending Act.

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 for 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.

Universal Housing Development Corporation was incorporated in October, 1971 as a 501 (c) 3 organization, and our registration with the Arkansas Attorney General's office is current. We are a HUD-approved Housing Counseling agency and a chartered member of NeighborWorks® America. The mission of UHDC is to promote adequate and affordable housing, economic opportunity, and a suitable living environment, free from discrimination. We fulfil this mission through self-help housing and home rehabilitation which utilize sweat equity construction similar to Habitat. Our loans would assist the disadvantaged to meet their housing needs. UHDC does not solicit or broker mortgages.

While I am most grateful that our legislators have made provisions for exemption in section 1(B) (viii) of House Bill 1881, I would appreciate a letter specifically identifying Universal Housing Development Corporation and its employees as exempt from the licensing requirement under Fair Mortgage Lending Act.

Thank you very much for your attention.

Sincerely,

Kimberly Miller
Executive Director, Universal Housing Development Corporation

Franklin County Section 8
320 N. 2nd Street
Ozark, AR 72949

Tel.: 479-667-4705
Fax: 479-667-4705

Yell County Section 8
507 N. 4th St. Suite E
P. O. Box 438
Dardanelle, AR 72834

Tel.: 479-229-5112
Fax: 479-229-5112

Pope County Section 8
301 E. 3rd Street
P. O. Box 846
Russellville, AR 72811-0864

Tel.: 479-968-5001
Fax: 479-968-5002

Southlawn Apts.
1701 S. Detroit #51
Russellville, AR 72801

Tel.: 479-968-4902
Fax: 479-890-4385

Paris Rural Rental Apts.
1125 S. 3rd Street
P. O. Box 489
Paris, AR 72855

Tel.: 479-963-6166
Fax: 479-963-6166

