(h) With o... ...gages, as indicated in answer to

(1) FNMA... ...VA the Association by private serv- question N... ...pt. During fiscal year 1965, the icing organizations ... servicing of FNMA's ...gage portfolios was performed by 1,035 servicing organizatio... on a contract basis for which the Association paid, under the secondary market operations alone, servicing fees aggregating $9,796,584.

(2) FNMA's legal services, other than those which are conducted on a staff basis, are performed for the Association on a contract basis by individual attorneys, legal firms, or by trustees. During fiscal year 1965, the Association's overall legal services, including foreclosure litigation or other such matters, were performed by 914 different attorneys, legal firms or trustees to whom were paid legal fees totaling $817,000 under the secondary market operations.

8. Laws and regulations

Federal National Mortgage Association Charter Act, as amended through September 9, 1965 (title III of National Housing Act, 12 U.S.C. 1716, et seq.)

PART II. DATA BEARING ON ECONOMIC ASPECTS AND IMPACTS OF THE PROGRAM

9. Economic effects

(*a*) *Effects on personal incomes of persons served or involved.*—The effects, if any, of FNMA's activities, under the secondary market operations, on the personal income, etc., of its individual mortgagors cannot be specifically identified. However, as noted in answer to question No. 7(*b*) above, FNMA, during 1965 alone paid almost $10 million of servicing fees to its 1,035 contract servicers and approximately $817,000 of fees to attorneys, legal firms, and trustees under its secondary market operations.

(*b*) *Effects on the placement or productivity of workers, or both, and on their earnings.*—Not identifiable.

(*c*) *Effects on business or individual organizations and management; the stimulation of new business.*—See comments in respect to question 9(*a*) above. Under its secondary market operations, FNMA has purchased 274,658 FHA mortgages totaling $3,186 million and 182,782 VA mortgages amounting to $2,225 million from originating organizations providing in the aggregate financing for 460,243 family residences or dwelling units (approximately 182,800 units under VA financing and 277,450 under FHA financing). Far more significant than its actual purchases, however, is the fact that the Association's existence and known continuous availability of its secondary market operations as a sort of backstop for mortgage financing provides needed, and perhaps indispensable, assurances to those who buy, sell, and deal in mortgages in the broad general secondary market.

(*d*) *Effects on the stability, level, volume, or other aspects of sales, prices, or other phases of economic activity.*—The flexibility of FNMA's secondary market operations, which includes the ability to adjust readily to changing market conditions so as to meet effectively the financing needs of the housing industry, and the corporation's role as a stabilizing influence on the mortgage market, are widely recognized. A few of FNMA's services are cited: