overall servicing was performed by 1,035 servicing organizations on a contract basis for which the Association paid, under the special assistance functions alone, servicing fees aggregating $4,336,704.

(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 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 $343,000 under the special assistance functions.

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 special assistance functions, on individual mortgagors cannot be specifically identified. However, as noted in answer to question No. 7, FNMA, during 1965 alone paid more than $4 million of servicing fees to its contract servicers under the Special Assistance Functions and over $0.3 million of legal fees to attorneys, legal firms, and trustees under these functions.

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

(*c*) *Effects on business or individual organizations and management; the stimulation of new business.*—See comments in respect to question No. 9(a) above. Under its special assistance functions, FNMA has purchased 83,851 FHA mortgages totaling $1,844 million and 53,393 VA mortgages aggregating $650 million from originating organizations providing financing for 208,802 family residences or dwelling units (approximately 53,400 VA units and 155,400 FHA units). Also, as noted in connection with answer to question No. 3, FNMA commitment contracts totaling $391 million were terminated by assignment to private enterprise organizations thereby making that volume of investments available to such organizations and simultaneously decreasing, by a like amount, the Government's contractual obligations to expend Federal funds to purchase the related mortgages.

(*d*) *Effects on the stability, level, volume, or other aspects of sales, prices, or other phases of economic activity.*—Under its special assistance functions, the Association helps to bring into existence a volume of housing which probably would not be constructed were it not for the financial backstop that is provided by the Government through this FNMA facility.

For example, one of FNMA's major special assistance programs involves the utilization of below-market interest rate financing to provide housing accommodations for low and moderate income families whose incomes are too high to permit them to qualify as occupants of publicly constructed housing and too low to permit them to acquire housing accommodations at full economic costs. Other programs provide financing for homes utilizing new and experimental types of