

**DATE:** August 1, 2007

**SUBJECT:** Statement on subprime mortgage lending. (SR 07-12)

**HIGHLIGHTS:** On June 29, 2007, the Federal Reserve and the other federal financial institutions regulatory agencies (the agencies) issued the attached final *Statement on Subprime Mortgage Lending* (*Subprime Statement*) to address issues and questions related to certain adjustable-rate mortgage (ARM) products marketed to subprime borrowers. This statement applies to all banks and their subsidiaries and bank holding companies and their nonbank subsidiaries. The attachment provides the *Subprime Statement*.

**DOCUMENT**

**LOCATION:** <http://www.federalreserve.gov/boarddocs/srletters/2007/SR0712.htm>

**FURTHER**

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