

FIRST AMERICAN CORP
Form 8-K
September 09, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act Of 1934

Date of report (Date of earliest event reported) September 9, 2008

THE FIRST AMERICAN CORPORATION

(Exact Name of the Registrant as Specified in Charter)

California
(State or Other Jurisdiction of
Incorporation)

001-13585
(Commission File Number)

95-1068610
(IRS Employer
Identification No.)

1 First American Way, Santa Ana, California
(Address of Principal Executive Offices)
Registrant's telephone number, including area code (714) 250-3000

92707-5913
(Zip Code)

Not Applicable.

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 Other Events

The First American Corporation (the Company) announced today that, as a result of actions taken by the United States government with respect to the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac), it will record other-than-temporary impairment and take a non-cash charge to third quarter earnings related to its investments in perpetual preferred securities issued by Fannie Mae and Freddie Mac. The value of these securities has decreased materially and it is unclear if and when the value will improve. The Company currently holds perpetual preferred securities in Fannie Mae at a cost of approximately \$30.3 million and in Freddie Mac at a cost of approximately \$7.6 million. The Company does not hold any common stock or other equity securities issued by Fannie Mae or Freddie Mac.

Forward-Looking Statements

This current report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including the statements relating to the anticipated charge to third quarter earnings. Risks and uncertainties exist that may cause results to differ materially from those set forth in the forward-looking statements. Factors that could cause the anticipated results to differ from those described in the forward-looking statements include changes in market conditions or governmental action with respect to Fannie Mae and/or Freddie Mac. The forward-looking statements speak only as of the date they are made. The Company does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

THE FIRST AMERICAN CORPORATION

Date: September 9, 2008

By: /s/ KENNETH D. DeGIORGIO
Name: Kenneth D. DeGiorgio
Title: Senior Vice President