UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C.

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended September 30, 1999   Commission File Number: 0-9341

SECURITY NATIONAL FINANCIAL CORPORATION
Exact Name of Registrant.

UTAH	87-0345941
(State or other jurisdiction of incorporation or organization)	IRS Identification Number

5300 South 360 West, Salt Lake City, Utah	84123
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including Area Code (801) 264-1060

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES XX   NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class A Common Stock, $2.00 par value	3,792,644
Title of Class	Number of Shares Outstanding as of September 30, 1999
Class C Common Stock, $.20 par value	5,348,531
Title of Class	Number of Shares Outstanding as of September 30, 1999

SECURITY NATIONAL FINANCIAL CORPORATION AND SUBSIDIARIES
FORM 10Q

QUARTER ENDED SEPTEMBER 30, 1999

TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION

SECURITY NATIONAL FINANCIAL CORPORATION
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)

	Nine Months Ended September 30, 1999	Nine Months Ended September 30, 1998	Three Months Ended September 30, 1999	Three Months Ended September 30, 1998
Revenues:				
Insurance premiums and other considerations	$10,008,484	4,522,461	3,648,476	1,507,587
Net investment income	7,663,760	5,587,104	2,317,189	1,874,925
Net mortuary and cemetery sales	7,637,360	6,966,139	2,379,157	2,093,755
Realized gains on investments and other assets	228,622	102,991	2,964	4,892
Mortgage fee income	10,483,052	6,687,379	3,763,234	2,503,984
Other	827,413	51,555	49,351	13,035
Total revenue	$36,848,691	23,917,629	12,160,371	7,998,178
Benefits and expenses:				
Death benefits	3,434,847	1,785,148	1,051,554	663,101
Surrenders and other policy benefits	2,958,351	791,529	422,918	250,818
Increase in future policy benefits	2,355,085	2,481,246	911,014	756,575
Amortization of deferred policy acquisition costs and cost of insurance acquired	3,772,447	994,389	1,246,271	401,335
General and administrative expenses:				
Commissions	8,412,816	5,091,565	3,163,108	1,848,048
Salaries	5,643,863	3,950,062	1,894,696	1,329,798
Other	5,849,460	4,904,959	1,766,703	1,632,379
Interest expense	795,202	682,513	304,943	262,784
Cost of goods and services sold of the mortuaries and cemeteries	2,515,351	2,264,090	790,577	721,470
Total benefits and expenses	35,737,422	22,945,501	11,551,784	7,866,308
Earnings before income taxes	$ 1,111,269	$ 972,128	$ 608,587	$ 131,870
Income tax expense	(368,844)	(224,615)	(209,431)	(30,284)
Minority interest income of subsidiary	(162,635)	--	(99,004)	--
Net earnings	$ 579,790	747,513	300,152	101,586
Net earnings per common share	$0.13	$0.18	$0.07	$0.02
Weighted average outstanding common shares	4,380,510	4,220,488	4,335,339	4,249,563
Net earnings per common share-assuming dilution	$0.13	$0.18	$0.07	$0.02
Weighted average outstanding common shares assuming-dilution	4,380,510	4,220,488	4,335,339	4,249,563

See accompanying notes to consolidated financial statements.

SECURITY NATIONAL FINANCIAL CORPORATION
AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	September 30, 1999 (Unaudited)	December 31, 1998
Assets:		
Insurance-related investments:		
Fixed maturity securities held to maturity, at amortized cost	$40,504,259	$ 44,984,882
Fixed maturity securities available for sale, at market	24,670,200	28,675,440
Equity securities available for sale, at market	5,170,218	5,146,059
Mortgage loans on real estate	15,357,344	12,523,395
Real estate, net of accumulated depreciation	7,890,150	7,866,151
Policy, student and other loans	11,102,574	11,493,637
Short-term investments	3,345,919	11,543,540
Total insurance-related investments	108,040,664	122,233,104
Restricted assets of cemeteries and mortuaries	4,201,724	4,098,877
Cash	8,032,183	6,670,996
Receivables:		
Trade contracts	4,012,565	4,011,722
Mortgage loans sold to investors	22,290,406	21,181,028
Receivable from agents	2,287,893	1,944,449
Receivable from officers	120,200	145,600
Other	1,333,157	2,603,243
Total receivables	30,044,221	29,886,042
Allowance for doubtful accounts	(1,511,300)	(1,576,668)
Net receivables	28,532,921	28,309,374
Policyholder accounts on deposit with reinsurer	8,319,761	8,518,571
Land and improvements held for sale	8,473,149	8,405,725
Accrued investment income	1,717,227	1,440,860
Deferred policy acquisition costs	10,211,461	10,501,281
Property, plant and equipment, net	9,529,125	10,682,085
Cost of insurance acquired	10,185,636	10,462,446
Excess of cost over net assets of acquired subsidiaries	1,332,993	1,414,910
Other	1,803,795	526,918
Total assets	$200,380,639	$213,265,147

See accompanying notes to consolidated financial statements.

SECURITY NATIONAL FINANCIAL CORPORATION
AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)

	September 30, 1999 (Unaudited)	December 31, 1998
Liabilities:		
Future life, annuity, and other policy benefits	$135,475,359	$134,899,870
Unearned premium reserve	1,732,318	2,565,968
Line of credit for financing of mortgage loans	1,204,802	7,577,248
Bank loans payable	6,773,767	11,909,980
Notes and contracts payable	3,203,730	3,399,272
Estimated future costs of pre-need sales	6,743,983	6,376,651
Payable to endowment care fund	705,938	540,504
Accounts payable	869,990	1,321,559
Funds held under reinsurance treaties	1,412,331	1,419,357
Other liabilities and accrued expenses	3,801,928	3,787,385
Income taxes	5,935,186	6,008,537
Total liabilities	167,859,332	179,806,331
Minority interest	6,104,710	6,778,557
Stockholders' Equity:		
Common stock:		
Class A: $2 par value, authorized 10,000,000 shares, issued 4,618,935 shares in 1999 and 4,617,330 shares in 1998	9,243,004	9,234,660
Class C: $0.20 par value, authorized 7,500,000 shares, issued 5,407,559 shares in 1999 and 5,446,595 shares in 1998	1,080,998	1,089,319
Total common stock	10,324,002	10,323,979
Additional paid-in capital	9,596,462	9,596,444
Accumulated other comprehensive income, net of deferred taxes	643,010	1,081,113
Retained earnings	8,054,532	7,474,783
Treasury stock at cost (826,291 Class A shares in 1999 and 692,993 Class A shares in 1998, and 59,028 Class C shares in 1999 and 1998)	(2,201,409)	(1,796,060)
Total stockholders' equity	26,416,597	26,680,259
Total liabilities and stockholders' equity	$200,380,639	$213,265,147

See accompanying notes to consolidated financial statements.

SECURITY NATIONAL FINANCIAL CORPORATION
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended September 30, 1999	1998
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	$ 1,783,920	$(7,367,462)
Cash flows from investing activities:		
Securities held to maturity:		
Purchase - fixed maturity securities	--	(524,563)
Calls and maturities - fixed maturity securities	4,562,415	7,661,157
Securities available for sale:		
Purchases - equity securities	(43,759)	(22,183)
Sales - equity securities	--	165,085
Calls and maturities - fixed maturity securities	2,746,609	--
Purchases of short-term investments	(7,896,342)	(8,536,330)
Sales of short-term investments	16,093,963	9,602,460
Purchases of restricted assets	(102,847)	(181,201)
Mortgage, policy, and other loans made	(4,619,857)	(4,913,800)
Payments received for mortgage, policy, and other loans	2,246,096	2,853,682
Purchases of property, plant, and equipment	(394,196)	(779,647)
Purchases of real estate	(368,051)	(684,815)
Net cash provided by investing activities	12,224,031	4,639,845
Cash flows from financing activities:		
Annuity receipts	7,848,532	1,980,007
Annuity withdrawals	(8,385,746)	(2,620,893)
Repayment of bank loans and notes and contracts payable	(5,331,755)	(560,388)
Purchase of treasury stock	(405,349)	--
Net change in line of credit for financing of mortgage loans	(6,372,446)	1,586,011
Net cash (used in) provided by financing activities	(12,646,764)	384,737
Net change in cash	1,361,187	(2,342,880)
Cash at beginning of period	6,670,996	3,408,179
Cash at end of period	$ 8,032,183	$ 1,065,299

See accompanying notes to consolidated financial statements.

SECURITY NATIONAL FINANCIAL CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements
September 30, 1999
(Unaudited)

1. Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine months ended September 30, 1999, are not necessarily indicative of the results that may be expected for the year ending December 31, 1999. For further information, refer to the consolidated financial statements and footnotes thereto for the year ended December 31, 1998, included in the Company's Annual Report on Form 10-K (file number 0-9341).

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The estimates susceptible to significant change are those used in determining the liability for future policy benefits and claims, those used in determining valuation allowances for mortgage loans on real estate, and those used in determining the estimated future costs for pre-need sales. Although some variability is inherent in these estimates, management believes the amounts provided are adequate.

2. Comprehensive Income

For the nine months ended September 30, 1999 and 1998, total comprehensive income amounted to $142,000 and $579,000, respectively.

For the three months ended September 30, 1999 and 1998, total comprehensive income (loss) amounted to $224,000 and $(91,000), respectively.

SECURITY NATIONAL FINANCIAL CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements
September 30, 1999
(Unaudited)

3. Capital Stock

In accordance with SFAS 128, the basic and diluted earnings per share amounts were calculated as follows:

	Nine Months Ended September 30, 1999	1998
Numerator:		
Net income	$ 579,790	$ 747,513
Denominator:		
Denominator for basic earnings per share-- weighted-average shares	4,380,510	4,220,488
Effect of dilutive securities:		
Employee stock options		
Stock appreciation rights	--	--
Dilutive potential common shares	--	--
Denominator for diluted earnings per share-adjusted weighted-average shares and assumed conversions	4,380,510	4,220,488
Basic earnings per share	$0.13	$0.18
Diluted earnings per share	$0.13	$0.18

	Three Months Ended September 30, 1999	1998
Numerator:		
Net income	$300,152	101,586
Denominator:		
Denominator for basic earnings per share-- weighted-average shares	4,335,339	4,249,563
Effect of dilutive securities:		
Employee stock options		
Stock appreciation rights	--	--
Dilutive potential common shares	--	--
Denominator for diluted earnings per share-adjusted weighted-average shares and assumed conversions	4,335,339	4,249,563
Basic earnings per share	$0.07	$0.02
Diluted earnings per share	$0.07	$0.02

There are no dilutive effects on net income for purpose of this calculation.

4. Business Segment

	Life Insurance	Cemetery/ Mortuary	Mortgage
For the Nine Months Ended September 30, 1999			
Revenues from external customers	$ 17,088,867	$ 8,190,945	$11,530,989
Intersegment revenues	1,592,254	--	--
Segment profit	707,166	(143,693)	(48,313)
Identifiable assets	181,051,469	34,303,219	3,243,131
For the Nine Months Ended September 30, 1998			
Revenues from external customers	8,853,981	7,523,480	7,528,725
Intersegment revenues	1,071,262		
Segment profit	634,314	(69,035)	176,757
Identifiable assets	105,776,139	31,576,764	3,054,293
For the Three Months Ended September 30, 1999			
Revenues from external customers	5,352,226	2,567,912	4,213,504
Intersegment revenues	593,166	--	--
Segment profit	445,253	(116,203)	53,863
For the Three Months Ended September 30, 1998			
Revenues from external customers	2,889,536	2,297,061	2,808,385
Intersegment revenues	384,228	--	--
Segment profit	162,742	(235,280)	96,498

SECURITY NATIONAL FINANCIAL CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements
September 30, 1999
(Unaudited)

4. Business Segment

	Corporate	Reconciling Items	Consolidated
For the Nine Months Ended September 30, 1999			
Revenues from external customers	$ 37,890	$	$ 36,848,691
Intersegment revenues	2,876,251	(4,468,505)	--
Segment profit	596,109	--	1,111,269
Identifiable assets	2,154,010	(20,371,190)	200,380,639
For the Nine Months Ended September 30, 1998			
Revenues from external customers	11,443	--	23,917,629
Intersegment revenues	568,709	(1,639,971)	--
Segment profit	230,092	--	972,128
Identifiable assets	2,239,393	(13,019,413)	129,627,176
For the Three Months Ended September 30, 1999			
Revenues from external customers	26,729	--	12,160,371
Intersegment revenues	960,070	(1,553,236)	--
Segment profit	225,674	--	608,587
For the Three Months Ended September 30, 1998			
Revenues from external customers	3,206	--	7,998,178
Intersegment revenues	190,090	(574,318)	--
Segment profit	107,910	--	131,870

Item 2. Management's Discussion and Analysis

Overview

The Company's operations over the last several years generally reflect three trends or events which the Company expects to continue: (i) increased attention to "niche" insurance products, such as the Company's funeral plan policies and interest sensitive products; (ii) emphasis on cemetery and mortuary business; and (iii) capitalizing on the strong economy in the western United States by originating and refinancing mortgage loans.

On December 17, 1998, the Company purchased all of the outstanding shares of common stock of Consolidare Enterprises, Inc., ("Consolidare") for a total cost of $12,248,194. As of September 30, 1999, Consolidare owns approximately 60.9% of the outstanding shares of common stock of Southern Security Life Insurance Company and all of the outstanding shares of stock of Insuradyne Corp.

The purchase of Consolidare, including its subsidiaries was accounted for using the purchase method of accounting. Thus the results of operations of the Company for the nine and three months ended September 30, 1998 do not include the results of Consolidare. In the Management's Discussion and Analysis of the Results of Operations, the results of Consolidare for the nine and three months ended September 30, 1999 have been excluded. See table "Consolidated Statements of Earnings without Consolidare and Subsidiaries" at the end of Management's Discussion and Analysis which shows the effect of excluding the results of Consolidare for the nine and three months ended September 30, 1999.

Including Consolidare, total revenues increased by $13,159,000, or 55.0%, to $37,077,000 for the nine months ended September 30, 1999, from $23,918,000 for the nine months ended September 30, 1998 and total benefits and expenses increased by $13,020,000 or 56.7%, to $35,966,000 for the nine months ended September 30, 1999, from $22,946,000 for the nine months ended September 30, 1998. Total revenues increased by $4,391,000, or 54.9%, to $12,389,000 for the three months ended September 30, 1999, from $7,998,000 for the three months ended September 30, 1998 and total benefits and expenses increased by $3,914,000, or 49.8% to $11,780,000 for the three months ended September 30, 1999, from $7,866,000 for the three months ended September 30, 1998. The results for Consolidare for the nine and three months ended September 30, 1999 are not necessarily indicative of the results that may be expected for the year ending December 31, 1999, since the Company has not yet realized many of the reduced costs of consolidation of administrative functions and the implementation of new computer systems.

Results of Operations

Third Quarter of 1999 Compared to Third Quarter of 1998

Total revenues increased by $1,798,000, or 22.5%, to $9,796,000 for the three months ended September 30, 1999, from $7,998,000 for the three months ended September 30, 1998. Contributing to this increase in total revenues was a $1,259,000 increase in mortgage fee income, a $285,000 increase in net mortuary and cemetery sales, a $93,000 increase in insurance premiums and other considerations and a $164,000 increase in net investment income.

Insurance premiums and other considerations increased by $93,000, or 6.1%, to $1,600,000 for the three months ended September 30, 1999, from $1,507,000 for the comparable period in 1998. This increase was primarily due to an increase in new business.

Net investment income increased by $164,000, or 8.8%, to $2,039,000 for the three months ended September 30, 1999, from $1,875,000 for the comparable period in 1998. This increase was attributable to a higher yield on the Company's investments.

Net mortuary and cemetery sales increased by $285,000, or 13.6%, to $2,379,000 for the three months ended September 30, 1999, from $2,094,000 for the comparable period in 1998. This increase was the result of additional pre-need and at-need sales.

Mortgage fee income increased by $1,259,000, or 50.3%, to $3,763,000 for the three months ended September 30, 1999, from $2,504,000 for the comparable period in 1998. This increase was primarily attributable to more loan originations during the third quarter of 1999 due to the expansion of business activities in new geographic markets.

Total benefits and expenses were $9,417,000, or 96.1% of total revenues for the three months ended September 30 1999, as compared to $7,866,000, or 98.3% of total revenues for the comparable period in 1998.

Death benefits, surrenders and other policy benefits, and increase in future policy benefits increased by an aggregate of $36,000, or 2.2%, to $1,706,000 for the three months ended September 30, 1999, from $1,670,000 for the comparable period in 1998. This increase was primarily the result of additional policies in force.

Amortization of deferred policy acquisition costs and cost of insurance acquired decreased by $54,000, or 13.4%, to $347,000, for the three months ended September 30, 1999, from $401,000 for the comparable period in 1998. This decrease was in line with actuarial assumptions.

General and administrative expenses increased by $1,458,000, or 30.3%, to $6,268,000 for the three months ended September 30, 1999, from $4,810,000 for the comparable period in 1998. This increase primarily resulted from an increase in commissions and other expenses due to additional mortgage loan originations having been made by the Company's mortgage subsidiary during the third quarter of 1999 on account of the expansion of its business activities in new geographic markets.

Interest expense increased by $42,000, or 16.0%, to $305,000 for the three months ended September 30, 1999, from $263,000 for the comparable period in 1998. This increase was primarily due to additional bank borrowings required for the acquisition of Consolidare.

Cost of mortuaries and cemeteries goods and services sold increased by $69,000, or 9.6%, to $790,000 for the three months ended September 30, 1999, from $721,000 for the comparable period in 1998. This increase was primarily related to an increase in pre-need and at-need sales.

Nine Months Ended September 30, 1999 as Compared to Nine Months Ended September 30, 1998

Total revenues increased by $4,925,000, or 20.6%, to $28,843,000 for the nine months ended September 30, 1999, from $23,918,000 for the nine months ended September 30, 1998. Contributing to this increase in total revenues was a $3,796,000 increase in mortgage fee income, a $126,000 increase in realized gains on investments, a $261,000 increase in insurance premiums and other considerations, a $671,000 increase in net mortuary and cemetery sales, and a $55,000 increase in net investment income.

Insurance premiums and other considerations increased by $261,000, or 5.8%, to $4,784,000 for the nine months ended September 30, 1999, from $4,522,000 for the comparable period in 1998. This increase was primarily due to an increase in new business.

Net investment income increased by $55,000, or 1.0%, to $5,642,000 for the nine months ended September 30, 1999, from $5,587,000 for the comparable period in 1998. This increase was attributable to a higher yield on the Company's investments.

Net mortuary and cemetery sales increased by $671,000, or 9.6%, to $7,637,000 for the nine months ended September 30, 1999, from $6,966,000 for the comparable period in 1998. This increase was the result of additional pre-need and at-need sales.

Mortgage fee income increased by $3,796,000, or 56.8%, to $10,483,000 for the nine months ended September 30, 1999, from $6,687,000 for the comparable period in 1998. This increase was primarily attributable to more loan originations during 1999 due to the expansion of business activities in new geographic markets.

Total benefits and expenses were $28,120,000, or 97.5% of total revenues for the nine months ended September 30 1999, as compared to $22,946,000, or 95.9% of total revenues for the comparable period in 1998.

Death benefits, surrenders and other policy benefits, and increase in future policy benefits increased by an aggregate of $242,000, or 4.8%, to $5,300,000 for the nine months ended September 30, 1999, from $5,058,000 for the comparable period in 1998. This increase was primarily the result of accumulative interest on policyholder funds and an increase in death claims.

Amortization of deferred policy acquisition costs and cost of insurance acquired increased by $38,000, or 3.8%, to $1,032,000 for the nine months ended September 30, 1999, from $994,000 for the comparable period in 1998. This increase was in line with the increase in revenues.

General and administrative expenses increased by $4,531,000 or 32.5%, to $18,477,000 for the nine months ended September 30, 1999, from $13,946,000 for the comparable period in 1998. This increase primarily resulted from an increase in commissions and other expenses due to additional mortgage loan originations having been made by the Company's mortgage subsidiary during 1999 on account of the expansion of its business activities in new geographic markets.

Interest expense increased by $113,000, or 16.5%, to $795,000 for the nine months ended September 30, 1999, from $682,000 for the comparable period in 1998. This increase was primarily due to the additional bank borrowings required for the acquisition of Consolidare.

Cost of mortuaries and cemeteries goods and services sold increased by $251,000, or 11.1%, to $2,515,000 for the nine months ended September 30, 1999, from $2,264,000 for the comparable period in 1998. This increase was primarily related to an increase in pre-need and at-need sales.

Liquidity and Capital Resources

The Company's life insurance subsidiary and cemetery and mortuary subsidiaries realize cash flow from premiums, contract payments and sales on personal services rendered for cemetery and mortuary business, from interest and dividends on invested assets, and from the proceeds from the maturity of held-to-maturity investments, or sale of other investments. The mortgage subsidiary realizes cash flow from fees generated by originating and refinancing mortgage loans and interest earned on mortgages sold to investors. The Company considers these sources of cash flow to be adequate to fund future policyholder and cemetery and mortuary liabilities, which generally are long-term, and adequate to pay current policyholder claims, annuity payments, expenses on the issuance of new policies, the maintenance of existing policies, debt service, and operating expenses.

The Company attempts to match the duration of invested assets with its policyholder and cemetery and mortuary liabilities. The Company may sell investments other than those held-to-maturity in the portfolio to help in this timing; however, to date, that has not been necessary. The Company purchases short-term investments on a temporary basis to meet the expectations of short-term requirements of the Company's products. The Company's investment philosophy is intended to provide a rate of return which will persist during the expected duration of policyholder and cemetery and mortuary liabilities regardless of future interest rate movements.

The Company's investment policy is to invest predominantly in fixed maturity securities, mortgage loans, and warehouse mortgage loans on a short-term basis before selling the loans to investors in accordance with the requirements and laws governing the life insurance subsidiaries. Bonds owned by the life insurance subsidiaries amounted to $65,174,000 as of September 30, 1999, compared to $73,660,000 as of December 31, 1998. This represents 60.3% and 60.3% of the total insurance-related investments as of September 30, 1999, and December 31, 1998, respectively. Generally, all bonds owned by the life insurance subsidiaries are rated by the National Association of Insurance Commissioners. Under this rating system, there are six categories used for rating bonds. At September 30, 1999, .4% ($460,000) and at December 31, 1998, .4% ($460,000) of the Company's total investment in bonds were invested in bonds in rating categories three through six, which are considered non-investment grade.

The Company has classified certain of its fixed income securities, including high-yield securities, in its portfolio as available for sale, with the remainder classified as held to maturity. However, in accordance with Company policy, any such securities purchased in the future will be classified as held to maturity. Business conditions, however, may develop in the future which may indicate a need for a higher level of liquidity in the investment portfolio. In that event the Company believes it could sell short-term investment grade securities before liquidating higher-yielding longer term securities.

The Company is subject to risk based capital guidelines established by statutory regulators requiring minimum capital levels based on the perceived risk of assets, liabilities, disintermediation, and business risk. At September 30, 1999, and December 31, 1998, the life insurance subsidiary exceeded the regulatory criteria.

The Company's total capitalization of stockholders' equity and bank debt and notes payable was $36,394,000 as of September 30, 1999, as compared to $41,990,000 as of December 31, 1998. Stockholders' equity as a percent of capitalization increased to 73% as of September 30, 1999, from 64% as of December 31, 1998.

Lapse rates measure the amount of insurance terminated during a particular period. The Company's lapse rate for life insurance in 1998 was 6.0% as compared to a rate of 11.7% for 1998. The 1999 lapse rate is approximately the same as 1998.

At September 30, 1999, $20,883,000 of the Company's consolidated stockholders' equity represents the statutory stockholders' equity of the Company's life insurance subsidiaries. The life insurance subsidiary cannot pay a dividend to its parent company without the approval of insurance regulatory authorities.

Year 2000 Issues

The Company is aware of the issues associated with the programming code in existing computer systems as the millennium (Year 2000) approaches. The Year 2000 problem is pervasive and complex as virtually every computer operation will be affected in some way by the rollover of the two digit year value to 00. The issue is whether computer systems will properly recognize date sensitive information when the year changes to 2000. Systems that do not properly recognize such information could generate erroneous data or cause a system to fail.

The Company's insurance operations have two different administrative systems for its insurance operations. The system used for Security National Life Insurance Company was converted to a Year 2000 compliant version in the fourth quarter of 1998. The Company expended approximately $52,000 for the conversion to this latest version. As part of the acquisition of Southern Security Life Insurance Company ("Southern Security"), the Company purchased a new system which is Year 2000 compliant. The Company successfully converted Southern Security's existing system to the new system on January 1, 1999. The Company paid approximately $1.0 million for this new system in 1998.

The Company's mortgage subsidiary uses a Year 2000 compliant system. The Company's mortuary and cemetery operations converted to the latest version for Year 2000 software during March 1999. The Company's general accounting and payroll systems were converted to Year 2000 versions during March 1999. The cost for these conversions were not significant to consolidated net income.

The anticipated future costs of addressing potential Year 2000 problems are not currently expected to have a material adverse impact on the Company's financial position, results of operations or cash flows in future periods. However, if the Company, its customers or vendors are unable to resolve such processing issues in a timely manner, it could result in a material financial risk. Management believes that manual policy and claims administration could be performed in the unlikely event that one or more of its systems did not function.

The Company has tested each personal computer being used for Year 2000 compliance and has installed or replaced the necessary software to meet compliance. The Company is monitoring the progress of third party vendors which the Company relies upon, such as software suppliers, telephone equipment and communication suppliers, electricity suppliers, natural gas suppliers, banks, brokers, U.S. Postal Service and express mail services. The Company is not aware of any of its suppliers that will not be Year 2000 compliant and will continue to monitor and make the necessary contingency plans where needed. The Company is aware of the risks associated with any of its internal systems or those of its suppliers that are not Year 2000 compliant.

Item 3. Quantitative and Qualitative Disclosure of Market Risk

There have been no significant changes since the annual report Form 10-K filed for the year ended December 31, 1998.

SECURITY NATIONAL FINANCIAL CORPORATION
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
Without Consolidare and Subsidiaries
For the Nine Months Ended September 30, 1999 and 1998
(Unaudited)

REVENUES:	1999	1998	Consolidare and Subsidiaries 1999
Insurance premiums and other considerations	$ 10,008,484	$ 4,522,461	$ 5,224,546
Net investment income	7,663,760	5,587,104	2,021,328
Net mortuary and cemetery income	7,637,360	6,966,139	--
Realized gains on investments and other assets	228,622	102,991	--
Mortgage fee income	10,483,052	6,687,379	--
Other	827,413	51,555	760,143
Total Revenues	36,848,691	23,917,629	8,006,017
BENEFITS AND EXPENSES:			
Death benefits	3,434,847	1,785,148	1,439,772
Surrenders and other policy benefits	2,958,351	791,529	1,829,452
Increase in future policy benefits	2,355,085	2,481,246	179,228
Amortization of deferred policy acquisition costs and cost of insurance acquired	3,772,447	994,389	2,739,983
General and administrative expenses:			
Commissions	8,412,816	5,091,565	106,109
Salaries	5,643,863	3,950,062	860,271
Other	5,849,460	4,904,959	462,451
Interest expense	795,202	682,513	--
Cost of mortuaries and cemeteries goods and services sold	2,515,351	2,264,090	--
Total benefits and expenses	35,737,422	22,945,501	7,617,266
Earnings before income taxes	1,111,269	972,128	388,751
Income tax expense	(368,844)	(224,615)	(140,397)
Minority interest in income of subsidiary	(162,635)	--	(162,635)
Net earnings	$ 579,790	$ 747,513	$ 85,719

SECURITY NATIONAL FINANCIAL CORPORATION
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
Without Consolidare and Subsidiaries
For the Nine Months Ended September 30, 1999 and 1998
(Unaudited)

	Without Consolidare and Subsidiaries 1999	Variance without Consolidare and Subsidiaries Amount	Percent
REVENUES:			
Insurance premiums and other considerations	$ 4,783,938	$ 261,477	5.8%
Net investment income	5,642,432	55,328	1.0
Net mortuary and cemetery income	7,637,360	671,221	9.6
Realized gains on investments and other assets	228,622	125,631	122.0
Mortgage fee income	10,483,052	3,795,673	56.8
Other	67,270	15,715	30.5
Total Revenues	28,842,674	4,925,045	20.6
BENEFITS AND EXPENSES:			
Death benefits	1,995,075	209,927	11.8
Surrenders and other policy benefits	1,128,899	337,370	42.6
Increase in future policy benefits	2,175,857	(305,389)	(12.3)
Amortization of deferred policy acquisition costs and cost of insurance acquired	1,032,464	38,075	3.8
General and administrative expenses:			
Commissions	8,306,707	3,215,142	63.1
Salaries	4,783,592	833,530	21.1
Other	5,387,009	482,050	9.8
Interest expense	795,202	112,689	16.5
Cost of mortuaries and cemeteries goods and services sold	2,515,351	251,261	11.1
Total benefits and expenses	28,120,156	5,174,655	22.6
Earnings before income taxes	722,518	(249,610)	(25.7)
Income tax expense	(228,447)	(3,832)	1.7
Minority interest in income of subsidiary	--	--	--
Net earnings	$ 494,071	$ (253,442)	(33.9)%

SECURITY NATIONAL FINANCIAL CORPORATION
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
Without Consolidare and Subsidiaries
For the Three Months Ended September 30, 1999 and 1998
(Unaudited)

REVENUES:	1999	1998	Consolidare and Subsidiaries 1999
Insurance premiums and other considerations	$ 3,648,476	$ 1,507,587	$ 2,048,276
Net investment income	2,317,189	1,874,925	277,953
Net mortuary and cemetery income	2,379,157	2,093,755	--
Realized gains on investments and other assets	2,964	4,892	--
Mortgage fee income	3,763,234	2,503,984	--
Other	49,351	13,035	38,238
Total Revenues	12,160,371	7,998,178	2,364,468
BENEFITS AND EXPENSES:			
Death benefits	1,051,554	663,101	449,723
Surrenders and other policy benefits	422,918	250,818	189,118
Increase in future policy benefits	911,014	756,575	40,522
Amortization of deferred policy acquisition costs and cost of insurance acquired	1,246,271	401,335	898,911
General and administrative expenses:			
Commissions	3,163,108	1,848,048	136,429
Salaries	1,894,696	1,329,798	359,142
Other	1,766,703	1,632,379	60,694
Interest expense	304,943	262,784	--
Cost of mortuaries and cemeteries goods and services sold	790,577	721,470	--
Total benefits and expenses	11,551,784	7,866,308	2,134,539
Earnings before income taxes	608,587	131,870	229,929
Income tax expense	(209,431)	(30,284)	(122,587)
Minority interest in income of subsidiary	(99,004)	--	(99,004)
Net earnings	$ 300,152	$ 101,586	$ 8,338

SECURITY NATIONAL FINANCIAL CORPORATION
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
Without Consolidare and Subsidiaries
For the Three Months Ended September 30, 1999 and 1998
(Unaudited)

REVENUES:	Without Consolidare and Subsidiaries 1999	Variance without Consolidare and Subsidiaries Amount	Percent
Insurance premiums and other considerations	$ 1,600,200	$ 92,613	6.1%
Net investment income	2,039,236	164,311	8.8
Net mortuary and cemetery income	2,379,157	285,402	13.6
Realized gains on investments and other assets	2,964	(1,928)	(39.4)
Mortgage fee income	3,763,234	1,259,250	50.3
Other	11,112	(1,923)	(14.8)
Total Revenues	9,795,903	1,797,725	22.5
BENEFITS AND EXPENSES:			
Death benefits	601,831	(61,270)	(9.2)
Surrenders and other policy benefits	233,800	(17,018)	(6.8)
Increase in future policy benefits	870,492	113,917	15.1
Amortization of deferred policy acquisition costs and cost of insurance acquired	347,360	(53,975)	(13.4)
General and administrative expenses:			
Commissions	3,026,679	1,178,631	63.8
Salaries	1,535,554	205,756	15.5
Other	1,706,009	73,630	4.5
Interest expense	304,943	42,159	16.0
Cost of mortuaries and cemeteries goods and services sold	790,577	69,107	9.6
Total benefits and expenses	9,417,245	1,550,937	19.7
Earnings before income taxes	378,658	246,788	187.1
Income tax expense	(86,844)	(56,560)	186.8
Minority interest in income of subsidiary	--	--	--
Net earnings	$ 291,814	$ 190,228	187.3%

Part II Other Information:

Item 1. Legal Proceedings

The Company has been named as a party in connection with pending litigation brought by Garry Eckard & Co., Inc. ("Eckard") in the Federal District Court for the Southern District of Indiana. The complaint was filed on October 14, 1996 and alleges breach of contract and civil conversion pertaining to a finder's fee and seeks an unspecified amount of damages plus costs and attorneys' fees. In a prior letter to the Company from Eckard, it appears that the amount of the fee being sought is $152,000 (excluding interest and attorney's fees). The complaint, pursuant to the civil conversion claim, seeks treble damages under Indiana's civil conversion statute.

The complaint was initially filed in the Indiana Hamilton County Superior Court, but was subsequently removed by the Company to the Federal District Court for the Southern District of Indiana. The Company filed a motion to dismiss for lack of personal jurisdiction and Eckard filed a motion to amend its complaint and to add Security National Life Insurance Company, a subsidiary of the Company, as a party defendant. On March 18, 1997, the Company's motion was granted to dismiss the complaint against the Company for lack of personal jurisdiction and Eckard's motion was granted to amend the complaint by adding Security National Life Insurance Company as a party defendant. The Company's motion to dismiss the complaint against the Company was granted without prejudice, which allows the complaint to be refiled in an appropriate jurisdiction.

Security National Life Insurance Company also filed a motion to dismiss for lack of personal jurisdiction. On October 10, 1997, this motion to dismiss the complaint for lack of personal jurisdiction was granted thereby also dismissing the case against Security National Life Insurance Company. Thus, the case in Indiana was dismissed without prejudice against both the Company and Security National Life Insurance Company for lack of personal jurisdiction.

On March 13, 1998, a letter was sent by Eckard's counsel relative to a settlement proposal together with a draft complaint against the Company and Security National Life Insurance Company for filing in the United States District Court for the District of Utah. There was no material difference between the complaint prepared for filing in Utah and the amended complaint which had been filed in Indiana. The complaint was filed in Utah on August 13, 1998. Since its filing (the claims being the same as in the Indiana action), the treble damage claim (conversion) has been dismissed with prejudice. The contract claim is the remaining claim. Eckard claims a fee of $151,000 plus interest through July 31, 1999 of $168,729 (and claims interest continues to accrue), plus attorney's fees. The formal discovery period has ended. Eckard and the Company have both filed motions for summary judgment which have been argued and are pending decisions by the court. Although no prediction of outcome is given, management intends to vigorously defend the action.

The Company has been named as a party in a lawsuit brought by Robert L. Anderson ("Anderson") in the Superior Court of San Diego, North County Judicial District, State of California. The complaint was filed on January 28, 1999 and pertains to the creation of the San Diego Memorial Park Partnership and the development of Singing Hills Memorial Park Cemetery. Anderson was denominated as a partner in the 1989 partnership agreement. He asserts that the Company did not carry out the partnership agreement in developing the property as a cemetery and residential lots and that instead the property was later acquired by California Memorial Estates, Inc., a subsidiary of the Company, and developed. Anderson asserts a claim for lost profits because of alleged breach of the partnership agreement and further asserts breach of fiduciary duty, actual fraud, constructive fraud, asks for an accounting, and alleges conspiracy and declaratory relief. He seeks punitive damages, legal fees and costs. Formal discovery is in process. At this juncture, with discovery in process, no complete evaluation has been made. Management, however, intends to vigorously defend the matter and believes that Anderson did not perform as required and that he has no bona fide basis to complain.

The Company is not a party to any other legal proceedings outside the ordinary course of the Company's business or to any other legal proceedings which, adversely determined, would have a material adverse effect on the Company or its business.

Item 2. Changes in Securities

NONE

Item 3. Defaults Upon Senior Securities

NONE

Item 4. Submission of Matters to a Vote of Security Holders

NONE

Item 5. Other Information

NONE

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

3. A. Articles of Restatement of Articles of Incorporation (8)
   B. Bylaws (1)

4. A. Specimen Class A Stock Certificate (1)
   B. Specimen Class C Stock Certificate (1)
   C. Specimen Preferred Stock Certificate and Certificate of Designation of Preferred Stock (1)

10. A. Restated and Amended Employee Stock Ownership Plan and Trust Agreement (1)
    B. Deferred Compensation Agreement with George R. Quist (2)
    C. 1993 Stock Option Plan (3)
    D. Promissory Note with Key Bank of Utah (4)
    E. Loan and Security Agreement with Key Bank of Utah (4)
    F. General Pledge Agreement with Key Bank of Utah (4)
    G. Note Secured by Purchase Price Deed of Trust and Assignment of Rents with the Carter Family Trust and the Leonard M. Smith Family Trust (5)

H. Deed of Trust and Assignment of Rents with the Carter Family Trust and the Leonard M. Smith Family Trust (5)
I. Promissory Note with Page and Patricia Greer (6)
J. Pledge Agreement with Page and Patricia Greer (6)
K. Promissory Note with Civil Service Employees Insurance Company (7)
L. Deferred Compensation Agreement with William C. Sargent (8)
M. Employment Agreement with Scott M. Quist. (8)
N. Acquisition Agreement with Consolidare Enterprises, Inc., and certain shareholders of Consolidare. (9)
O. Agreement and Plan of Merger between Consolidare Enterprises, Inc., and SSLIC Holding Company. (10)
P. Administrative Services Agreement with Southern Security Life Insurance Company. (11)
Q. Promissory Note with George R. Quist. (12)

(1) Incorporated by reference from Registration Statement on Form S-1, as filed on June 29, 1987.

(2) Incorporated by reference from Annual Report on Form 10-K, as filed on March 31, 1989.

(3) Incorporated by reference from Annual Report on Form 10-K, as filed on March 31, 1994.

(4) Incorporated by reference from Report on Form 8-K, as filed on February 24, 1995.

(5) Incorporated by reference from Annual Report on Form 10K, as filed on March 31, 1995.

(6) Incorporated by reference from Report on Form 8-K, as filed on May 1, 1995.

(7) Incorporated by reference from Report on Form 8-K, as filed on January 16, 1996.

(8) Incorporated by reference from Annual Report on Form 10-K, as filed on March 31, 1998.

(9) Incorporated by reference from Report on Form 8-K, as filed on May 11, 1998.

(10) Incorporated by reference from Report on Form 8-K, as filed on January 4, 1999.

(11) Incorporated by reference from Report on Form 8-K, as filed on March 4, 1999.

(12) Incorporated by reference from Annual Report on Form 10-K, as filed on April 14, 1999.

27. Financial Data Schedule

(b) Reports on Form 8-K:
NONE

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 thereunto duly authorized.

REGISTRANT

SECURITY NATIONAL FINANCIAL CORPORATION

Registrant

DATED: November 19, 1999 By: George R. Quist,
President and Chief Executive Officer (Principal Executive Officer)

DATED: November 19, 1999 By: Scott M. Quist
First Vice President, General Counsel and Treasurer (Principal Financial and Accounting Officer)

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DEC-31-1998
SEP-30-1999
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