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Outdated

Credit Risk: Termination of Portfolio Stress Test Tool for Income-Producing Commercial Real Estate

To

Chief Executive Officers of All National Banks, Federal Savings Associations, and Federal Branches and Agencies; Department and Division Heads; All Examining Personnel; and Other Interested Parties

Summary

Effective immediately, the Office of the Comptroller of the Currency (OCC) has terminated its Portfolio Stress Test Tool for Income-Producing Commercial Real Estate on BankNet.

Note for Community Banks

Highlights

The OCC has

- removed the tool and associated documents, including the user's guide, from BankNet, the OCC's site for communicating with and receiving information from banks.
- deactivated IPCRESSTestToolHelp@occ.treas.gov, the email address that had been associated with the tool.

Background

In 2012, the OCC released the tool and associated documents to demonstrate basic portfolio stress testing concepts and to help banks conduct portfolio stress testing on income-producing commercial real estate portfolios. The use of the tool was optional. Today, several methods and tools are available for performing loan portfolio stress testing, and banks generally have satisfactory policies, processes, systems, and, in some cases, advanced approaches for conducting ongoing portfolio stress testing. In addition, the OCC has observed decreased use of the tool. For these reasons, the OCC has terminated the tool.

Further Information

Please contact Commercial Credit Risk Policy at (202) 649-6670.

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Topic(s): ■ COMMERCIAL REAL ESTATE LENDING

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