

RESCINDED

Credit Administration: Notice and Request for Comment on Proposed Interagency Policy Statement on Prudent Commercial Real Estate Loan Accommodations and Workouts

Replaced – See OCC 2023-23

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

The Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation, and the National Credit Union Administration (collectively, the agencies) today published a request for comment on a proposed interagency policy statement on

commercial real estate loan accommodations and workouts.

Comments must be received by October 3, 2022.

Note for Community Banks

The proposed interagency policy statement, if finalized, would apply to all banks.^{[1](#)}

Highlights

The agencies seek comment on the proposed interagency policy statement, which

- addresses risk management elements for short-term commercial real estate loan accommodations.
- addresses risk management elements for longer-term, and more complex loan workout accommodations.
- explains loan classifications for loans with workout accommodations.
- addresses preparation of regulatory reports and accounting considerations for reporting modified loans.
- provides appendixes that explain
 - examples of loan workout arrangements.
 - valuation concepts for income-producing real estate.
 - relevant accounting and regulatory guidance on the incurred loss and current expected credit loss (CECL) methodologies

The proposed interagency policy statement would update the interagency statement conveyed by OCC Bulletin 2009-32, "Commercial Real Estate (CRE) Loans: Guidance on Prudent CRE Loan Workouts."

Further Information

Please contact David Bates, Director for Commercial Credit Risk, at (202) 649-6670.

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Senior Deputy Comptroller for Bank Supervision Policy

Related Link

- ["Proposed Policy Statement on Prudent Commercial Real Estate Loan Accommodations and Workouts" \(PDF\)](#)

¹ "Banks" refers collectively to national banks, federal savings associations, covered savings associations, and federal branches and agencies of foreign banking organizations.

Topic(s):

- ACCOUNTING
- CREDIT ADMINISTRATION