



**TO:** NCUA Board

**DATE:** April 13, 2020

**FROM:** Office of General Counsel  
Office of Examination and Insurance

**SUBJ:** Interim final rule: Real Estate  
Appraisals (Part 722)

**ACTION REQUESTED:** NCUA Board approval to issue the attached interim final rule for a 45-day comment period.

**DATE ACTION REQUESTED:** April 16, 2020.

**OTHER OFFICES CONSULTED:** N/A

**VIEWS OF OTHER OFFICES CONSULTED:** N/A

**BUDGET IMPACT, IF ANY:** None.

**SUBMITTED TO INSPECTOR GENERAL FOR REVIEW:** Yes.

**RESPONSIBLE STAFF MEMBERS:** Lou Pham, Senior Credit Specialist, Office of Examination and Insurance; Rachel Ackmann, Senior Staff Attorney, Office of General Counsel.

**SUMMARY:** The interim final rule amends the NCUA's regulations requiring appraisals of real estate for certain transactions. The interim final rule defers the requirement to obtain an appraisal or evaluation for up to 120 days following the closing of a transaction for certain residential and commercial real estate transactions. Credit unions should continue to make best efforts to obtain a reliable valuation of real property collateral at the time of loan closing, consistent with safe and sound practices. The interim final rule is consistent with the recent interim final rule issued by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation to defer the requirement to obtain an appraisal or evaluation for up to 120 days following the closing of a transaction for certain residential and commercial real estate transactions.

An interim final rule is recommended to allow credit unions to expeditiously extend liquidity to creditworthy households and businesses in light of recent strains on the U.S. economy as a result of the National Emergency declared in connection with COVID-19.

**RECOMMENDED ACTION:** The NCUA Board approve the attached interim final rule for publication in the *Federal Register* with an immediate effective date and for a 45-day comment period.

**ATTACHMENT:** Interim final rule with a request for comments.