

**Bulletin B-15-2**



**TO: All Tennessee State-Chartered Banks and Savings Banks**

**SUBJECT: Other Real Estate Appraisals - This Bulletin SUPERCEDES Bulletin B-91-1**

**DATE: June 24, 2015**

Rules regarding the use of appraisals of commercial and residential property were established by Title XI of the Federal Financial Institutions Reform, Recover, and Enforcement Act of 1989 (FIRREA). These rules are enumerated in 12 C.F.R. Part 323 (nonmember banks) and 12 C.F.R. Part 225 (member banks). Bulletin B-91-1, issued on April 26, 1991, advised banks that the appraisal standards set forth in these federal rules also apply to appraisals required under Chapter 0180-14 of Rules of Department of Financial Institutions on other real estate and on other real estate designated as an investment for the bank. Public Chapter 233 of the Acts of 2013, effective April 19, 2013, amended the Tennessee Banking Act, specifically Tenn. Code Ann. § 45-2-607(b)(2), and incorporated language from Chapter 0180-14 with several substantive amendments. As a result, Public Chapter 233 rendered Chapter 0180-14 ineffective and the Department is in the process of repealing Chapter 0180-14 in its entirety.

This Bulletin is being issued to advise state-chartered banks that the Minimum Standards for appraisals enumerated in 12 C.F.R. Part 323 (nonmember banks) and 12 C.F.R. Part 225 (member banks) are applicable not only to appraisals related to extensions of credit, but also to appraisals required under Tenn. Code Ann. § 45-2-607(b)(2) pertaining to other real estate and other real estate designated as an investment pursuant to Tenn. Code Ann. § 45-2-607(b)(2)(D).

Please contact Bank Financial Analyst Philip Ruffin at 615-741-4791 with any questions.

A handwritten signature in blue ink that reads "Greg Gonzales".

Greg Gonzales  
Commissioner