



The Regulatory Agencies have issued final Interagency Guidance on Reconsiderations of Value (ROV) of Residential Real Estate Valuations.

The guidance:

- Describes the risks of deficient residential real estate collateral valuations that remain uncorrected.
- Highlights how financial institutions may create or enhance existing ROV processes consistent with safety and soundness standards, comply with applicable laws and regulations (including nondiscrimination requirements), preserve appraiser independence, and remain responsive to consumers.
- Provides examples of policies, procedures, control systems, and complaint resolution processes that may help financial institutions identify, address, and mitigate risks of deficient valuations, including those that may have involved discrimination.
- Describes actions that financial institutions may take to resolve valuation deficiencies, including resolving the deficiencies with the appraiser or preparer of the valuation report; requesting a review of the valuation by an independent, qualified, and competent state-certified or licensed appraiser; or obtaining a second appraisal or evaluation.
- Reminds financial institutions that the use of third parties in the appraisal review process does not diminish their responsibility to oversee those activities in the same manner as if they were conducted by the financial institution itself.

You can read the Interagency Guidance [here](#).

CCI suggests using this guidance to develop risk-based ROV-related procedures for your institution. If you have any questions, you can reach out to inquiries@completecompli.com.

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