



MORTGAGE BANKERS ASSOCIATION

October 3, 2022

Benjamin W. McDonough
Chief Counsel
Office of the Comptroller of the Currency
400 7th Street SW, Suite 3E-218,
Washington, DC 20219

James P. Sheesley
Assistant Executive Secretary
Federal Deposit Insurance Corporation, 550
17th Street NW, Washington, DC 20429.

Melane Conyers-Ausbrooks
Secretary of the Board
National Credit Union Administration
1775 Duke Street, Alexandria, Virginia
2231

RE: OCC, “Docket ID OCC–2022–0017”– Policy Statement on Prudent Commercial Real Estate Loan Accommodations and Workouts

Dear Chief Counsel McDonough, Assistant Executive Secretary Sheesley and Secretary Conyer-Ausbrooks:

The Mortgage Bankers Association (MBA)¹ respectfully submits these comments to the proposed interagency policy statement on commercial real estate loan accommodations and workouts² (the “Proposal”) published by the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation, and the National Credit Union Administration (collectively, the “Agencies”).

The Proposal is meant to update the Policy Statement on Prudent Commercial Real Estate Loan Workouts, which was issued by the Federal Financial Institutions Examination Council (2009 Statement), which is useful for the Agencies and financial institutions in properly managing risk in commercial real estate loan workouts. The MBA appreciates the importance of working with commercial real estate borrowers facing

¹ The Mortgage Bankers Association is the national association representing the real estate finance industry, an industry that employs more than 400,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets, to expand homeownership, and to extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of more than 2,200 companies includes all elements of real estate finance: mortgage companies, mortgage brokers, commercial banks, thrifts, REITs, Wall Street conduits, life insurance companies, and others in the mortgage lending field. For additional information, visit MBA's Web site: www.mba.org.

² 87 Fed. Reg. 47273 (August 2, 2022). Available at: [87fr47273.pdf \(occ.gov\)](https://www.federalregister.gov/documents/2022/08/02/87fr47273)

financial hardship, as well as the need to update the 2009 Statement to reflect current GAAP standards.

Upon review of the Proposal, our initial thoughts find it reasonable in its reaffirmation of key principles from the 2009 Statement, as well as its introduction of a new section on short-term loan accommodations, information about changes in accounting principles and revisions and additions to examples of loan workouts. The MBA will continue to review the concepts in the OCC's proposal through the companion proposal released by the Board of Governors of the Federal Reserve on September 15, 2022 (the "Fed Proposal").³ If there are concerns, issues or unintended consequences that may negatively impact the commercial real-estate finance industry, MBA will submit comments to the Fed Proposal, and share with the Agencies prior to the November, 2022 deadline.

Again, MBA and our members are grateful for the opportunity to review and respond to the Proposal. If you have any questions please contact Stephanie Milner, Associate Vice President of Multifamily/Commercial Policy (smilner@mba.org).

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike Flood', written in a cursive style.

Mike Flood
Senior Vice President
Commercial/Multifamily
Mortgage Bankers Association

³ 87 Fed. Reg. 56658 (September 15, 2022). Available at: [2022-19940.pdf \(govinfo.gov\)](https://www.govinfo.gov/justification-2022-19940.pdf)