

RESCINDED

Real Estate Owned and Repossessed Assets

Questionnaire

This document and any attachments are replaced by Comptroller's Handbook -
Other Real Estate Owned

Yes No

GENERAL QUESTIONNAIRE

1. Does the institution give proper notification to the borrower prior to foreclosure or repossession? Yes No
2. Does the institution promptly foreclose or repossess to minimize the risk of loss? Yes No
3. Does the institution hold valid title to REO? Yes No
4. Does the institution review REO it acquires by deed in lieu of foreclosure for encumbrances of prior liens? Yes No
5. Does the institution appraise real estate it acquires subsequent to its acquisition? Yes No
6. Does the institution use a current appraisal to establish the asking price of property? Yes No
7. Are there maintenance procedures in effect to ensure that properties will retain their market value? Yes No
8. Are procedures in effect to ensure that the institution maintains and updates hazard insurance as necessary? Yes No
9. Does the institution maintain separate subsidiary records and files for each parcel showing items capitalized, expenses, rentals, etc.? Yes No
10. Does the institution reconcile subsidiary ledgers for the individual properties to the general ledger at least monthly?
By whom? _____ Yes No
11. Does the institution control rental income received from REO? Yes No
12. Do any unbonded agents collect rents and/or manage properties? Yes No
13. Does the board of directors periodically review the status of each REO parcel and repossessed asset?
How frequently? _____ Yes No
14. Does an officer that reports to the board of directors approve sales of REO and other repossessed assets? Yes No

Exam Date: _____
Prepared By: _____
Reviewed By: _____
Docket #: _____

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COMMENTS

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