§ 614.4267 Professional association membership; competency.

(a) Membership in appraisal organizations. A State certified appraiser or a State licensed appraiser may not be excluded from consideration for an assignment for a real estate-related transaction solely by virtue of membership or lack of membership in any particular appraisal organization.

(b) Competency. All staff and fee evaluators, including appraisers, performing evaluations in connection with real, personal, or intangible property taken as collateral in connection with extensions of credit must meet the qualification requirements of this subpart. However, an evaluator (as defined in §614.4240(n)) may not be considered competent solely by virtue of being certified, licensed, or accredited. Any determination of competency shall be based on the individual’s experience and educational background as they relate to the particular evaluation assignment for which such individual is being considered.

Subpart G [Reserved]

Subpart H—Loan Purchases and Sales

SOURCE: 57 FR 38247, Aug. 24, 1992, unless otherwise noted.

§ 614.4325 Purchase and sale of interests in loans.

(a) Definitions. For the purposes of this subpart, the following definitions shall apply:

(1) Interests in loans means ownership interests in the principal amount, interest payments, or any aspect of a loan transaction and transactions involving a pool of loans, including servicing rights.

(2) Lead lender means a lending institution having a direct contractual relationship with a borrower to advance funds, which institution sells or assigns an interest or interests in such loan to one or more other lenders.

(3) Loan means any extension of credit or similar financial assistance of the type authorized under the Act, such as guarantees, letters of credit, and other similar transactions.

(4) Participating institution means an institution that purchases a participation interest in a loan originated by another lender.

(5) Sale with recourse means a sale of a loan or an interest in a loan in which the seller:

(i) Retains some risk of loss from the transferred asset for any cause except the seller’s breach of usual and customary warranties or representations designed to protect the purchaser against fraud or misrepresentation; or

(ii) Has an obligation to make payments of principal or interest to any party resulting from: