Comptroller of the Currency, Treasury

§ 32.7 Residential real estate loans, small business loans, and small farm loans.

(a) Residential real estate, small business, and small farm loans. (1) In addition to the amount that a national bank may lend to one borrower under §32.3, an eligible national bank may make residential real estate loans or extensions of credit to one borrower in the lesser of the following two amounts: 10 percent of its capital and surplus; or the percent of its capital and surplus, in excess of 15 percent, that a State bank is permitted to lend under the State lending limit that is available for residential real estate loans or unsecured loans in the State where the main office of the national bank is located. Any such loan or extension of credit must be secured by a perfected first-lien security interest in 1-4 family real estate in an amount that does not exceed 80 percent of the appraised value of the collateral at the time the loan or extension of credit is made.

(2) In addition to the amount that a national bank may lend to one borrower under §32.3, an eligible national bank may make small business loans or extensions of credit to one borrower in the lesser of the following two amounts: 10 percent of its capital and surplus; or the percent of its capital and surplus, in excess of 15 percent, that a State bank is permitted to lend under the State lending limit that is available for small business loans or unsecured loans in the State where the main office of the national bank is located.

(3) In addition to the amount that a national bank may lend to one borrower under §32.3, an eligible national bank may make small farm loans or extensions of credit to one borrower in the lesser of the following two amounts: 10 percent of its capital and surplus; or the percent of its capital and surplus, in excess of 15 percent, that a State bank is permitted to lend under the State lending limit that is available for small farm loans or unsecured loans in the State where the main office of the national bank is located.

(4) The total outstanding amount of a national bank’s loans and extensions of credit to one borrower made under §§32.3(a) and (b), together with loans and extensions of credit to the borrower made pursuant to paragraphs (a)(1), (2), and (3) of this section, shall not exceed 25 percent of the bank’s capital and surplus.

(5) The total outstanding amount of a national bank’s loans and extensions of credit to all of its borrowers made pursuant to the special lending limits provided in paragraphs (a)(1), (2), and (3) of
§ 32.8 Temporary funding arrangements in emergency situations.

In addition to the amount that a national bank may lend to one borrower under §32.3 of this part, an eligible bank with the written approval of the OCC may make loans and extensions of credit to one borrower subject to a special temporary lending limit established by the OCC, where the OCC determines that such loans and extensions of credit are essential to address an emergency situation, such as critical financial markets stability, will be of short duration, will be reduced in amount in a timeframe and manner acceptable to the OCC, and do not present unacceptable risk. In granting approval for such a special temporary lending limit, the OCC will impose supervisory oversight and reporting measures that it determines are appropriate to monitor compliance with the foregoing standards as set forth in this paragraph.

[73 FR 14924, Mar. 20, 2008]

PART 33 [RESERVED]

PART 34—REAL ESTATE LENDING AND APPRAISALS

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