

## BOARD ACTION MEMORANDUM

**TO:** NCUA Board

**DATE:** December 7, 2012

**FROM:** Office of General Counsel

**SUBJ:** Briefing on Final Rule –  
Appraisals for Higher-Priced  
Mortgage Loans, 12 CFR part  
1026

**ACTION REQUESTED:** Public briefing on forthcoming interagency final rule regarding appraisals for higher-priced mortgage loans. 12 CFR part 1026.

**DATE ACTION REQUESTED:** January 10, 2013.

**OTHER OFFICES CONSULTED:** E&I

**VIEWS OF OTHER OFFICES CONSULTED:** Pending.

**BUDGET IMPACT, IF ANY:** None.

**SUBMITTED TO INSPECTOR GENERAL FOR REVIEW:** Yes.

**RESPONSIBLE STAFF MEMBERS:** John H. Brolin, Staff Attorney, Office of General Counsel.

**SUMMARY:** The NCUA, FRB, CFPB, FDIC, FHFA, and OCC are jointly publishing final rules to amend Regulation Z, which implements the Truth in Lending Act (TILA), and the official interpretation to the regulation. The revisions to Regulation Z implement a new TILA provision requiring appraisals for higher-priced mortgage loans that was added to TILA by the Dodd-Frank Wall Street Reform and Consumer Protection Act. For mortgages with an annual percentage rate that exceeds the average prime offer rate by a specified percentage, the final rule requires creditors to obtain an appraisal or appraisals meeting certain specified standards, provide applicants with a notification regarding the use of the appraisals, and give applicants a copy of the written appraisals used.

**RECOMMENDED ACTION:** Public briefing on interagency final rule, which will be presented for Board's notation vote.

**ATTACHMENT:** Interagency draft forthcoming.