

IB58**Appraisal of Other Real Estate** [Section 11-105-401(1)(d), C.R.S.]

- A. The initial appraisal of Other Real Estate (ORE) shall be performed by a registered, licensed, or certified appraiser as defined in Section 12-61-706, C.R.S. However, if the asset has a current book value of \$250,000 or less at the time the asset is classified as ORE, an analysis, evaluation, opinion, conclusion, notation, or compilation of data may be performed by an officer, director, or regular salaried employee of a financial institution who has not, directly or indirectly, participated in the lending transaction or by an officer, director, or regular salaried employee of its affiliate who has not, directly or indirectly, participated in the lending transaction.
- B. Subsequent appraisals of an ORE asset with a book value of more than \$250,000 shall be performed by a licensed or certified appraiser as defined in Section 12-61-706, C.R.S., according to the following schedule:
1. All financial institutions shall obtain subsequent appraisals of an ORE asset at intervals not to exceed twenty-four (24) months.
 2. If such an appraiser, as defined in Section 12-61-706, C.R.S., or other person approved by the Banking Board certifies in writing that the fair market value has not declined, such appraiser's or other person's opinion may be substituted for a subsequent appraisal.
- C. Reference: Sections 12-61-706 and 718(2), C.R.S., are laws enacted by the Legislature of the State of Colorado and administered by the Board of Real Estate Appraisers of the Colorado Department of Regulatory Agencies. This Rule does not include amendments to or editions of the referenced material later than July 30, 1993. For more detailed information pertaining to these provisions, please contact the Secretary to the Colorado State Banking Board at 1560 Broadway, Suite 1175, Denver, Colorado 80202, (303) 894-7584.

Amended Effective May 30, 2005

To correct Paragraph (A) increasing the level at which a certified appraisal on acquired property must be obtained.

Amended Effective December 30, 2004

To increase the level at which a certified appraisal on acquired property must be obtained from \$100,000 to \$250,000.

Amended Effective March 1, 2004

Statutory reference amendment to conform Rule to recodified statutes; update terminology to conform to recodified statutes; formatting changes to comply with Colorado Secretary of State guidelines.

Amended Effective December 30, 1998

Paragraphs (C) and (D) deleted as they exceed the statutory authority of Section 11-8-101, C.R.S.

Amended Effective April 30, 1998

Clarification of misunderstood requirements and deletion of unnecessary requirements.