

**FR Y-14 A and Q Industry Outreach Call  
Between Federal Reserve and Office of the Comptroller of the Currency Staff  
and Various Industry Participants  
October 11, 2011**

**Participants:** Andrew Boettcher, Brian Gordon, Alye Foster, Robert Sarama, Brian Valenti and Charles von Althann (Federal Reserve Staff)

Chris Torraca, James Wilds, Aimee Echols, Kathleen Paquet, Pedro Almanza, Keith Amaro, Bryan Heath, David Ferraro, Ray Sander, Scotty Duncan, Lou Anne Francis and Jim Thurston (Office of the Comptroller of the Currency Staff)

Mark McQueen, Sarah Welch and John Daniels (Bank of America); Deborah Papaconomou and Ken Brzozowski (Citi); William Lashbrook, Erin Knoll, Pamela Hobe and Seth Galloway (PNC); Lisa Marquardt and Thomas Bruening (Key); Amy Steingrebe, Carol Carlson and Scott McMillan (USB); Daniel Wing, Vance Barbour, Douglas Smith and Dennis Allen (JPMC); Teresa Gooding, Eric Nelson, Stephan Hyde, Scott Griffey, Scott Starling and Mary Cardinal (Wells Fargo); and Donald Baird (Capital One)

**Summary:** Federal Reserve staff participated in an outreach call with various industry participants in order to address technical and/or clarifying questions submitted by the firm related to the FR Y 14 A and Q commercial real estate (CRE) data schedule proposed by the Federal Reserve Board and to solicit feedback on the proposal. Federal Reserve staff did not respond to substantive comments raised by the participants during the call. As part of this discussion, agency staff provided a general presentation as a supplement to the meeting invitation. A summary of the issues raised by the participants is provided below.

Q: Is the source of the sample bank data presented in the slide deck a consolidated sample of banks or based on data from an individual bank?

A: The data presented in the charts of the presentation is sample data from an individual institution; however, it is representative of the observed data quality issues across multiple institutions.

Q: Is the amortization used in the example calculations just for demonstration purposes or is that what is used in estimating risk?

A: The assumed amortization in the example is only used for demonstration purposes.

Q: Should field 43 (Cross Collateralized Loans) include information on loans that are cross-collateralized and cross-defaulted or on loans that are cross-collateralized or cross-defaulted?

A: Under the proposed CRE schedule, cross-collateralized and/or cross-defaulted should be included.

Q: Should CRE loans that are cross-collateralized but do not meet the million dollar threshold be included as part of the data collection?

A: Under the proposed CRE schedule, CRE loans that under one million dollars and cross-collateralized with a reported CRE loan of one million dollars or more should be reported using the proposed schedule.

Q: Should non-CRE loans that are cross-collateralized with reported CRE loans be included in the cross-collateralization field?

A: The proposed CRE schedule defines CRE loans as loans reported on form Y-9C under BHCKF158, BHCK159, BHDM1460, BHCKF160 and BHCK161.

Non-CRE loans used as collateral in a cross-collateralization should be excluded from field 43 (Cross Collateralized Loans).

Q: Would all 43 data fields be required for the cross collateralized loans under the million dollar threshold?

A: Under the proposed CRE schedule, yes.

Q: Bank participants commented that it would make sense to exclude the loans under the million dollar threshold from the submission, even where the total exposure of the cross-collateralized group reaches one million dollars or more.

A: Substantive comments cannot be responded to during the comment period.

Q: Bank participants commented that the magnitude of the changes that must be made to systems to implement these changes might not be feasible in the amount of time between the final rule publication and the data submission date.

A: Substantive comments cannot be responded to during the comment period.

Q: If the CRE loan is syndicated, where a bank only holds a portion of the total loan, should the NOI be pro-rated to reflect the amount of the loan held by the reporting bank?

A: Under the proposed CRE schedule, yes.