

**RCW 30A.04.212 Real property and improvements thereon.** (1) In addition to the powers granted under RCW 30A.04.210 and subject to the limitations and restrictions contained in this section and in RCW 30A.60.010 and 30A.60.020, a bank:

(a) May acquire any interest in unimproved or improved real property;

(b) May construct, alter, and manage improvements of any description on real estate in which it holds a substantial equity interest.

(2) The powers granted under subsection (1) of this section do not include, and a bank may not:

(a) Manage any real property in which the bank does not own a substantial equity interest;

(b) Engage in activities of selling, leasing, or otherwise dealing in real property as an agent or broker; or

(c) Acquire any equity interest in any one to four-family dwelling that is used as a principal residence by the owner of the dwelling; however, this shall not prohibit a bank from making loans secured by such dwelling where all or part of the bank's anticipated compensation results from the appreciation and sale of such dwelling.

(3) The aggregate amount of funds invested under this section shall not exceed two percent of a bank's capital, surplus, and undivided profits. Such percentage amount shall be increased based upon the most recent community reinvestment rating assigned to a bank by the director in accordance with RCW 30A.60.010, as follows:

(a) Excellent performance: Increase to 10%

(b) Good performance: Increase to 8%

(c) Satisfactory performance: Increase to 6%

(d) Inadequate performance: Increase to 3%

(e) Poor performance: No increase

(4) For purposes of this section only, each bank will be deemed to have been assigned a community reinvestment rating of "1" for the period beginning with January 1, 1986, and ending December 31, 1986. Thereafter, each bank will be assigned an annual rating in accordance with RCW 30A.60.010, which rating shall remain in effect for the next succeeding year and until the director has conducted a new investigation and assigned a new rating for the next succeeding year, the process repeating on an annual basis.

(5) No bank may at any time be required to dispose of any investment made in accordance with this section due to the fact that the bank is not then authorized to acquire such investment, if such investment was lawfully acquired by the bank at the time of acquisition.

(6) The director shall limit the amount that may be invested in a single project or investment and may adopt any rule necessary to the safe and sound exercise of powers granted by this section. [2014 c 37 § 119; 1994 c 92 § 19; 1985 c 329 § 5. Formerly RCW 30.04.212.]

**Legislative intent—1985 c 329:** See note following RCW 30A.60.010.

**Effective date—1985 c 329:** See RCW 30A.60.901.

*Adoption of rules: RCW 30A.60.030.*