



Financial Services in Uncertain Time

Collateral Management and Asset Recovery

Context

Following a real estate boom in 2006-2008, Central European real estate is currently facing price decreases. Coupled with a significant portion of mortgages granted in CHF, EUR, USD and depreciation of local currencies, the situation has resulted in a considerable LTV ratio increase.

Risks and Challenges

- Have you checked the credit portfolio vulnerability to under-collateralisation?
- What is the efficiency of your soft collection process?
- What is the efficiency of the debt collection process? How long does it take to recover collateral? What is the cure rate on particular portfolios?
- Have you performed a review of the portfolio of collateral in terms of its liquidity, legal situation, eligibility?

How Deloitte can help

Deloitte has long-lasting relationships with many financial institutions in the area of measurement, modelling and monitoring of credit risk, among others:

- 1) Modelling PD, LGD and CCF.
- 2) Design and implementation of the debt collection process.
- 3) Design of credit risk portfolio management policies and models.
- 4) Design of collateral monitoring and reporting procedures.

[Contact us for more information.](#)