

Securitization services

A fresh perspective

The financial market crisis and its association with securitization products are presenting investors in ABS portfolios with significant challenges. As this industry moves forward globally, institutions involved in securitization must address several challenges such as data integrity, safeguarding interests, and dealing with pre/post trigger events, while at the same time balancing the increasing demands of regulatory compliance and transparency in product offerings.

We appreciate that securitization is highly complex – a combination of process, regulation and technology. Through in-depth experience, industry knowledge and know-how, we can offer you a comprehensive business solution to your securitization challenges, from the beginning of the securitization process to the end.

Securitization services		
<p>Advisory</p> <ul style="list-style-type: none"> • Accounting • Regulatory • Tax • Debt advisory • Valuation 	<p>Transaction risk solutions</p> <ul style="list-style-type: none"> • Trigger event management • Operations/risk control redesign • Surveillance Suite™ 	<p>Data integrity</p> <ul style="list-style-type: none"> • File due diligence • Portfolio due diligence • Asset audit • OC-data verification

Advisory

For many securitizations and other structured finance transactions, accounting or regulatory aspects are the key drivers. We help clients – originators, arrangers, investors and sponsors – to align their planned structures with accounting or regulatory requirements. Based on our extensive experience with securitizations in Japan, we also provide support services for valuation of ABS investments.

Transaction risk solutions services

We combine our quantitative focus, complex financial instrument knowledge, and reorganization services for project management and transaction support for distressed assets. These areas collaborate as interdisciplinary teams to do justice to the complexity of the subject. Each client, each portfolio and each problem is unique. We offer tailored solutions that take into account the conditions that apply to each individual case and the specific direction of each client.

Data integrity

Data integrity is a crucial factor in securitization and other structured finance transactions. In order for the transaction to be reliable, the data must have integrity as it forms the basis for the cash flow modelling and Offering Circular disclosures.



Deloitte member firms offer a range of services that are designed to check and monitor data integrity.

File due diligence

- Advice on the creation of pool data
- Reconciliation of pool data with physical/electronic documentation on a loan-by-loan basis
- Implementation on the basis of selection of a suitable sample or statistically representative data

Portfolio due diligence

- Agreed-upon procedures on the asset portfolio
- Assessment of the quality of the pool
- Analysis of the collateral
- Performing and non-performing loans

Portfolio analysis

The implementation of a securitization transaction involves numerous special structural considerations – a key reason why a securitization offering poses such a complex challenge. The Securitization Services team of Deloitte member firms conducts analyses and advises you on the process and data structure for the following areas:

- Pool selection
- Assumed weighted average life (WAL) under different prepayment scenarios
- Expected cash flow
- Investor reporting
- Checking prospectus specifications

The securitization practices at Deloitte

As a securitization issuer, investor, arranger or servicer, you face an increasingly complex accounting, tax and regulatory environment that impacts all of your securitization businesses. You need a professional services organization that has the industry knowledge and know-how to advise you throughout the lifespan of each transaction – from idea conception, to project management, to pricing and closing, and through program administration. An organization that offers comprehensive ideas to help you with your transactions, and one that understands that the accounting and the infrastructure are inseparable from each other.

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