Regulators are increasingly focused on stress testing, concentration risk, and risk ratings:

- Large lenders, like the top 100 DFAST/CCAR banks, need to demonstrate enhanced data and forecasting capabilities. However, it doesn’t make sense for them to invest in a purely regulatory-driven solution. They need a solution that also manages risk.

- Midsized lenders, like community banks, need to demonstrate a better understanding of their CRE loan collateral. However, they don’t have the resources to comply with examiners’ expectations. They require a turnkey solution.

CoStar’s debt toolkit enables large and small lenders to satisfy regulators while strategically managing risk.

1. CoStar’s debt team liaises with the client’s risk management team to help establish the best practices that will ensure data accuracy and model transparency.

2. The lender enters details about its CRE loan portfolio such as LTV, DSCR, NOI, and zip code directly into CoStar’s proprietary risk model.

3. CoStar’s risk model evaluates the loan portfolio utilizing its superior property-level data, granular submarket forecast, and proven credit default model.

4. The lender leverages the results from CoStar’s risk model to achieve regulatory compliance and strategic risk management: Stress testing, concentration risk, and risk ratings.

For more information visit www.costar.com/products/costar-risk-analytics