

TRANSACTION PATHWAY

# Disaster Recovery Plan

NOVEMBER 2023



## Disaster Recovery Plan Pathway for Delinquent Development Loans

This Pathway will take you through the steps to deal with a seriously delinquent deal/transaction to enable you to manage recovery and reduce potential losses.

STAGE	TASKS	TASK FORMS	TASK DOCUMENTS
<b>Warning KPIs Trigger Deal Alert</b>	<ul style="list-style-type: none"> <li>➤ Review KPIs to ensure warning triggers not hit</li> </ul>		
<b>Perform Initial Investigation &amp; Risk Assessment</b>	<ul style="list-style-type: none"> <li>➤ Review delinquent KPIs</li> <li>➤ Complete delinquent deal report</li> <li>➤ Highlight areas of key risk &amp; concern</li> <li>➤ Rank risk as High, medium or low</li> <li>➤ Implement action plan as governed by risk rating</li> </ul>		
<b>Implement Action Plan</b>	<ul style="list-style-type: none"> <li>➤ Contact borrower to discuss risk assessment</li> <li>➤ Document meeting and borrower's underlying issues</li> <li>➤ Confirm agreed remedial actions</li> </ul>		
<b>Deal Default Next Steps</b>	<ul style="list-style-type: none"> <li>➤ Contact legal team to explain delinquent deal</li> <li>➤ Send risk assessment, risk rating and client meeting minutes</li> <li>➤ Trigger legal deal default steps</li> <li>➤ Issue legal documents to client re default action steps being imposed</li> </ul>		
<b>Initiate Disaster Recovery Plan</b>	<ul style="list-style-type: none"> <li>➤ Formally appoint build / project management teams to take charge of development</li> <li>➤ Audit work done to date</li> <li>➤ Prepare action plan for completion of development</li> <li>➤ Identify key project risks &amp; mitigation plan</li> </ul>		
<b>Complete Development Build</b>	<ul style="list-style-type: none"> <li>➤ Completion of Project under management</li> </ul>		

STAGE	TASKS	TASK FORMS	TASK DOCUMENTS
Implement Sales & Marketing Plan	➤ Create sales & marketing plan to sell property once developed		
Sell Development	➤ Close out sale of property and apply proceeds ➤ Paydown or clear outstanding loan		