



20 Nov 2015 6:33 AM EST

Fitch Maintains doBank's (former UCCMB) Italian Special Servicer Ratings on RWN

Fitch Ratings-London-20 November 2015: Fitch Ratings has maintained doBank S.p.A.'s (formerly known as UniCredit Credit Management Bank S.p.A. (UCCMB)) Italian residential and commercial mortgage special servicer ratings of 'RSS1-' and 'CSS1-', respectively, on Rating Watch Negative (RWN).

On 30 October 2015, UniCredit S.p.A. (BBB+/Stable/F2) completed the sale of 100% of UCCMB share capital to Fortress Investment Group LLC affiliates, following regulatory approval. As a result of the sale UCCMB was rebranded doBank S.p.A. and the entity was granted a banking license.

Following the change of ownership, the servicer no longer benefits from the financial support of a rated financial institution, which has a negative impact on the servicer's ratings. However, some credit can be given to assumed support from Fortress, which is already active in the European market through the indirect ownership of other Fitch-rated servicers including Italian servicer, Italfondario S.p.A. (RPS2+/RSS1-/CPS2/CSS1-).

As neither doBank nor its parent is rated as financial institutions, we assess doBank's financial condition as a standalone entity. The servicer's finances have been volatile over the past five years, although Fitch understands this was primarily driven by changes in accounting standards and valuation criteria. Information provided to the agency regarding changes to the existing servicing agreements and fee structures suggest that doBank should be in a positive financial position in future.

Fitch understands that the servicer has implemented specific action plans to reduce the operational risk connected with the loss of certain Unicredit support functions. However, to date the agency is unable to fully assess the impact of these changes. Fitch expects to complete a full operational assessment of doBank in 1H16, at which time it will resolve the RWN. Depending on the outcome of the assessment, it could result in an affirmation or a downgrade of the servicer ratings.

As the post-sale resolution may take place subsequent to six months in the future, no further rating action will be disclosed unless material changes take place.

Contact:

Primary Analyst
Mirella Tinti
Associate Director
+44 20 3530 1241
Fitch Ratings Limited
30 North Colonnade
London E14 5GN

Secondary Analyst
Lauren Hipwood
Director
+44 20 3530 1612

Committee Chairperson
Eberhard Hackel
Senior Director
+49 69 768076 117