

**9th Central European Covered Bond Conference**  
**Budapest**  
October 17 – 18, 2005

Legislative improvements in Central and Eastern Europe:  
Quality of mortgage collateral

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Legislative improvements in Central and Eastern Europe: Quality of mortgage collateral



## **Topics to be covered**

Introduction

Stakeholders and their interests

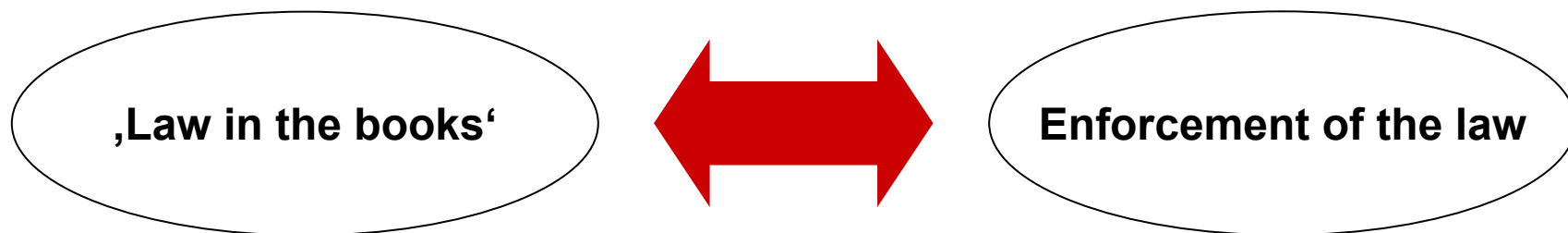
Mortgage collateral: Land and Mortgage Registers

Mortgage collateral: Foreclosure

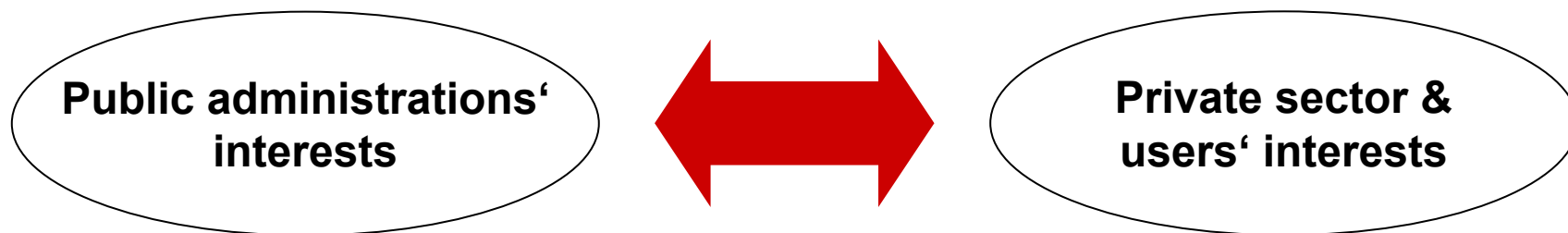
Mortgage collateral: Bankruptcy

Conclusions

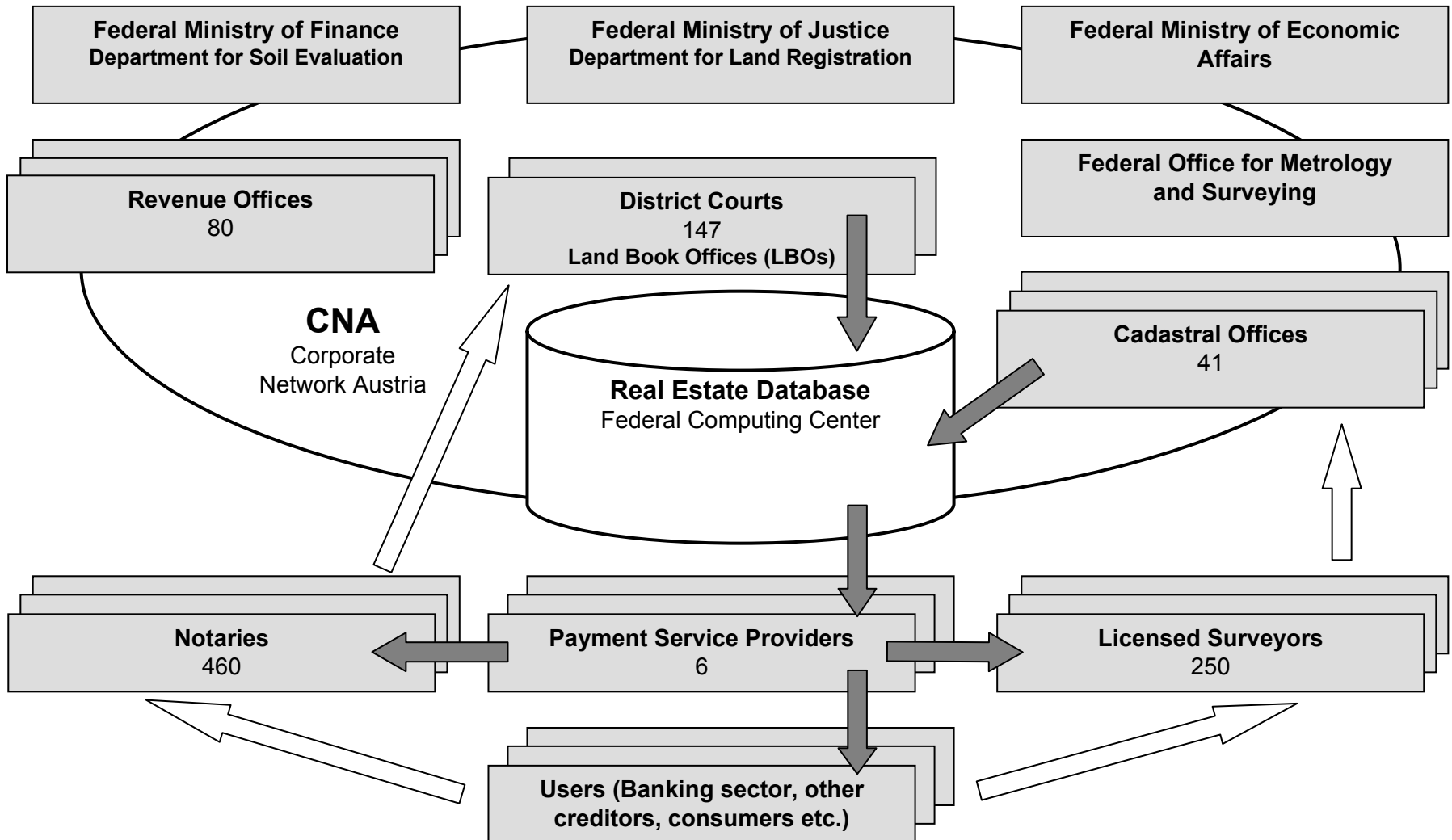
## Introduction (I)



## Introduction (II)



## Stakeholders and their interests: The Austrian System



## **Stakeholders and their interests: The Panellists' Systems**

### **Public administrations:**

*Ministry of Justice & The Judiciary*

*Ministry of Finance*

*Ministry of Economic Affairs*

*Others ?*

### **The Private Sector:**

*Notaries*

*Payment Service Providers*

*Attorneys*

*Surveyors*

*Others ?*

### **The User:**

*Banking sector*

*Other creditors*

*Consumers*

*Others ?*

## Mortgage collateral: Land and Mortgage Registers

### Quality criteria:

*Clear and easily verifiable ownership situation*

*Protection of the pledgee's good faith*

*Transparent structure of charges (fixed charges versus value related)*

*Standardised and efficient procedures all over the country*

*Flexible instrument for real estate financing (accessory hypothec versus non-accessory land charge)*

*Easy and quick access*

### Bottlenecks (inter alia):

*Stakeholders and their interests*

## Mortgage collateral: Foreclosure

### Quality criteria:

*Transparent structure of charges (fixed charges versus value related)*

*Standardised and efficient procedures all over the country*

*Easy and quick realisation (private enforcement structures versus court enforcement structures)*

*Sufficient recovery rates*

*Limited privileged foreclosure titles (esp. for the state)*

### Bottlenecks (inter alia):

*Stakeholders and their interests*



## Mortgage collateral: Bankruptcy

### Quality criteria:

*Standardised and efficient procedures all over the country*

*Easy and quick realisation*

*Preferred position of pledgees, i.e. bankruptcy remoteness to the highest extent possible*

*Limited number of preceding claims (esp. for the state)*

*Sufficient recovery rates*

### Bottlenecks (inter alia):

*Stakeholders and their interests*

## **Topics covered**

Introduction

Stakeholders and their interests

Mortgage collateral: Land and Mortgage Registers

Mortgage collateral: Foreclosure

Mortgage collateral: Bankruptcy

## **Conclusions**

## Legislative improvements in Central and Eastern Europe: Quality of mortgage collateral

### Panellists:

Dr. *András Botos*, Association of Hungarian Mortgage Banks (Hungary)

Dr. *Agnieszka Drewicz-Tułodziecka*, Mortgage Credit Foundation  
(Poland)

*Alexander Kvoschinsky*, LL.M., Legal Studies.RU, NGO (Russia)

*Tim Lassen*, EUROHYPO AG (Germany)

*Mario Thurner*, Center of Legal Competence (Austria)