Remote mortgage lending as a resource for housing development

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Abstract. The article describes the causes enough active use of the mechanism of the mortgage in order to resolve housing issues. It emphasizes that the problem of formation and development of the property market and the use of such forms of financing investments in real estate as mortgage lending is one of the most urgent today. In this regard, using the experience of developed countries, conclusions about the prospects of development of legal institutions in our country. Consideration of a mortgage as an intangible resource has a high degree of relevance in terms of further regulating mortgage as a banking product, as well as selecting the direction of development of state policy in the field of residential construction.

The development of the mortgage lending system is one of the most important tools for the implementation of the priority national project "Housing and urban environment". The complexity of the problem of housing construction and its lending in modern Russian conditions requires a systematic approach to its solution [1]. And the scale of the problem, its importance for the social and economic development of Russia require the most rapid action, the use of both domestic and international experience in this area. Therefore, the use of credit resources in the process of financing the construction and purchase of residential real estate are currently particularly relevant.

In modern Russia there is a relatively low availability of quality and comfortable housing in comparison with the developed countries of the world. On average, the number of years required for the purchase of housing in Russia is 9 years, while the housing supply of the population is 29 m² per person, which is quite low [2].

Figure 1. «Provision of housing and the number of years needed to purchase housing in Russia». 
The main reasons for the current situation in the housing sector are the underdeveloped mortgage market compared to the world level and the insufficient volume of housing construction. To a greater extent, these problems are due to the lack of housing finance mechanisms for construction companies, which would enable them to meet the objectives of significantly increasing the volume of housing commissioning. Attracting financing for housing construction is possible due to the development of the primary mortgage market.

The Russian government aims to support the mortgage market. Within the framework of the national project "Housing and urban environment", four federal projects are provided, one of which is "mortgage". This project provides that by 2024 the volume of the mortgage market should be 17 trillion rubles, and the annual volume of loans — 6.2 trillion rubles. The lending rate should fall below 8% (in 2019 — 8.9%, 2021 — 8.5%, 2024 — 7.9%) [3].

A mortgage loan is a special form of financial relationship in which the collateral becomes a guarantee of repayment of the lender’s funds. This method of buying real estate is interesting not only to the applicant, but also to other participants in the transaction: bank, the developer, the real estate agency, the insurance company.

The system of mortgage lending for housing construction in developed countries provides financing for both producers of housing products — developers and its end consumers — citizens. The problems of financing housing construction and the acquisition of ready-made housing by citizens in these countries are solved with the help of mortgage loans: construction loans to developers and classic mortgage loans to the population [4]. These credit programs attract additional funds to the real estate and construction market, which contribute to the increase in the rate of economic growth of the state.

Currently, in Russia it is very important to develop a comprehensive, balanced development of mechanisms of state regulation in the real estate market, while providing both support for the turnover of private real estate and effective property management for the developer. To solve these problems, it is necessary to combine the efforts of participants in the mortgage and housing construction market, the authorities to change the current practice and to form effective processes of housing construction and consumer mortgage lending, which will act as intangible resources for construction companies.

The demand for mortgage lending mechanisms is confirmed by the steady trend of growth in the volume of loans issued in the country. 2018 was a record year for the mortgage market. The growth of housing lending peaked in 2011. Banks issued mortgage loans by almost 3 trillion rubles, which is 49% higher than in 2017 (Figure 2) [5,6].

Figure 2. «Volume of mortgage lending». 
Thus, the growth of mortgage lending in 2018 provided low lending rates, stable housing prices and made a significant contribution to the development of mortgage software products.

However, housing construction in the country has been declining over the past four years. So in 2018, the volume of housing construction in Russia decreased by 5%, in 2019, according to experts, the decline will continue [7]. It can be concluded that the reduction in the volume of housing will provoke its rise in price, which is not the best impact on the mortgage market. On this basis, in order to minimize the risks for both developers and banks, it is necessary to ensure a high level of customer satisfaction, in particular, to introduce software products for the provision of mortgage loans, allowing to provide services in electronic form.

One of the most popular software products on the Russian market recently was the electronic platform of mortgage lending from Tinkoff Bank – "Tinkoff mortgage". Coordination of all secondary business processes took over "Tinkoff", receiving in exchange a commission on the fact of the transaction. This scheme was beneficial for all stakeholders. Thus, the client received a favorable mortgage rate, in some cases, a discount at a rate of 1.5% per annum, was given the opportunity to choose from several approved proposals from different banks, and the most valuable is the ability to fully remotely place an application in electronic form [8,9]. In turn, large banks saved money on self-attracting customers. This kind of interaction scheme was quite successful and helped more than 1 million people to get mortgage loans for more than 25 billion rubles a year.

In four years of existence the Tinkoff mortgage service created a trend for "uberization of a mortgage" and became the driver in the Russian financial market in the field of remote mortgage lending. Tinkoff Bank acted as the largest Federal mortgage broker in the country, providing customers with a full range of services, including insurance, valuation and even the selection of suitable apartments within the showcase of new buildings. This model of product development, marked by prestigious international awards, has proved its profitability in the Russian mortgage market [10]. Thanks to the experience of Tinkoff Bank, other software products with similar functions have appeared on the Russian market. In 2017, the service from the largest bank of Russia – Sberbank was launched, thanks to which buyers can choose an apartment online, issue a loan and register property rights – that is, go through all the procedures [11]. The development of electronic services quickly changed the real estate market, which will soon have a positive impact on the increase in purchasing power, and will play a huge role in minimizing the cost of attracting buyers for developers.

In connection with the adoption of the bill on shared construction software mortgage lending began to act as a type of intangible resources for the construction company. After July 1, 2019, access to shareholder's money stopped, and a bank will be added to the shareholder — developer scheme, which accumulates money of shareholders on escrow accounts, and issue loans at interest to the developer [12]. After putting the house into operation, the shareholder will receive an apartment, and the developer — access to escrow accounts. With this scheme, the problems of shareholders will be solved, but at the same time there will be difficulties for developers. That is why construction companies need to ensure the timely attraction of interest holder's money, which can be provided through the mass use of software products of remote mortgage lending.

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