



## IMPROVING MORTGAGE LENDING

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### Abstract

This article fully outlines the possibilities of improving the practice of mortgage lending in commercial banks of Uzbekistan, a number of problems that limit the availability of mortgages, the introduction of a mortgage lending system, increasing the ability to obtain mortgages.

**Keywords:** lending system, commercial banks, mortgage lending, real estate, resource maintenance.

### Introduction

Mortgage lending is known to dominate the economy, providing affordable housing to a wide range of people. However, the existing system faces several issues that limit the availability of mortgages for many citizens. The introduction of a one-point mortgage lending system in undeveloped transition economies prohibits a significant increase in the country's role in this process. This involves supporting banks engaged in mortgage lending by the country by granting tax credits and other privileges, and insuring people's deposits in banks.

### Literature analysis and methodology:

In the environment of socio-economic reforms in the Republic of Uzbekistan, the real estate market is improving steadily with the implementation of the country's programs for providing affordable housing for its people, as well as new policies for allocating mortgages and subsidies, simplifying the permanent registration procedure, and deepening reforms in the allocation of land for construction. As a result, investment in housing and commercial facilities has increased several times in recent times.

In the Republic of Uzbekistan, mortgages in the real estate market serve as the foundation for providing housing for the population and contributing to market growth. Mortgage lending opportunities have been increasing year after year. In 2017, the amount of mortgages allocated to the population amounted to \$2.6 trillion,



compared with 0.8% for nominal JIM, while by 2022 these statistics reached 14.4 trillion soums and 1.6%. The result of the ratio of mortgages to YIM in selected countries shows that Uzbekistan has taken one of the leading positions in this figure in the last 5 years.

## **Results:**

In developed countries, the bulk of mortgage agreements are standard contracts created for 30 years, and the portion of family income that is usually directed to mortgage lending does not exceed 30 percent. This plays an important role in the high income level of the population. A mortgage loan is considered to be a long-term arrangement for the purchase, rebuilt or renovation of non-expendable property, buildings, and buildings, as well as in the form of a guarantee of land.

Today, our state's commercial banks are mainly crediting individuals to purchase housing from primary and secondary markets. An increase in the cost of housing in these markets will lead to an increase in the amount of mortgages received by customers. This, in its place, negatively affects the financial position of mortgage borrowers and prevents them from increasing the size of mortgages as a result of piracy.

To assist individuals desiring to benefit the worldwide work of Jehovah's Witnesses through some form of charitable giving, a brochure entitled Charitable Planning to Benefit Kingdom Service Worldwide has been prepared. Analysis of mortgage lending activities by commercial banks in Uzbekistan shows that all mortgages are considered long-term loans because there is no category of medium-term loans in U.S. banking practice. Additionally, the low focus on the formation of mortgage lending, as well as programs that interest customers in obtaining low-term mortgages, is one of the highest obstacles to the formation of mortgage lending activities.

## **Discussion:**

Increasing the volume of mortgages directly depends on the accuracy of the long-term resource base of banks. The reason for this is that mortgages are part of the medium- and long-term lending category. Bank Accounts: Bank accounts, certificates of deposit, or individual retirement accounts set up as a trust or made payable on death to an entity used by Jehovah's Witnesses in accord with local bank requirements.



**Bank Accounts:** Bank accounts, certificates of deposit, or individual retirement accounts sets up as a trust or made payable on how to do this. However, many economists acknowledge the existence of a secondary market for mortgages, the formation of a risk management system and the resource provision of mortgages as essential conditions for the development of banks' mortgage lending practices.

### **Conclusion:**

Instead, it can be said that developing the mortgage lending system is the key to improving the housing market and the economy in general. Lowering interest rates, easing requirements for borrowers, streamlining procedures, developing new mortgage products and promoting government programs are important steps to be taken to increase the chances of obtaining mortgages, and create a more equitable and efficient system of financing for housing construction.

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