

INSTITUTIONAL INFRASTRUCTURE OF LAND MORTGAGE AS A COMPONENT OF MANAGEMENT DEVELOPMENT OF AGRICULTURAL LAND USE: FOREIGN EXPERIENCE

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Deals with international experience of the institutional infrastructure of the land mortgage. For working model of Ukrainian land mortgage, and finding a place in her functional land bank in Ukraine proposed to launch a pilot project for land and mortgage lending on the security of land and the long term lease.

Keywords: *land mortgages, land bank, agricultural land, mortgage, mortgage institutional infrastructure, the pilot project.*

Statement of the problem

To date, the vast majority of countries legally allowed to use land as collateral or collateral to obtain credit. Advantages of land as a collateral due to the constancy of the location of objects of land ownership, the trend of continuous increase in the cost, and the specific physical land, as laid object can be left in the possession and use of the mortgagor. World practice shows that no country can ensure the stability of its social and economic development if it is no policy on collateral use and protection of land resources, contributing to the establishment of a trusted relationship between the citizens of the country of credit institutions and the government. At the heart of good governance is the recognition of the fact that the source of all wealth is land, the results management.

The aim of the paper is to highlight the international experience of the

institutional infrastructure and land mortgage develop proposals for Ukraine.

The main material

In world practice the basic organizational and financial schemes, in which the developing mortgage are: single-level scheme (European or German) - involvement of the system occurs through the mortgage banks and two-tier (U.S.) - attract the necessary resources is carried out by means of the secondary mortgage market non-bank lenders - mortgage agencies. In table 1 shows the funding of mortgage transactions at the expense of savings associations in some countries of the European Union.

European system provides a scheme of land assets as specialized banks perform the full range of mortgage cooperatives - crediting issue of land mortgage-backed securities, the involvement of financial markets neces-

sary resources and new refinancing loans. That's a system prevalent in Europe.

1. Funding mortgage transactions at the expense of savings associations in some countries of the European Union

Country	Volume of financing (in % of mortgage transactions carried out in the country)
Belgium	50
France	76
Norway	38
Austria	35

The most telling example of the implementation of the European system to regard Germany. Let us give the basic data describing the level of the considered area in said State.

Statistisches Bundesamt According to 2008, the share of agriculture in GDP is 1,01 Germany and has a negative trend. In this case, the structure of the country's land Agricultural land covers 54,7 % (68,3 % of which were classified as arable land, and they produced the bulk of agricultural production). This state of the agricultural sector - a result of many factors and should be considered a major national agricultural policy aimed at the development of agriculture as talc is not economic, but also as an important social and cultural elements of the society. For example, in scientific literature instead of the term agriculture (Landwirtschaft) in Germany often use the term agriculture land (Landbewirtschaftung), which clearly reflects the multifunctional nature of the agricultural sector in the country.

In connection with the foregoing, the German agricultural policy is the result of some compromise between

retention inexpediency unprofitable agriculture by the state and the need for government support of the traditional economy of land use in rural areas. The solution to this issue is to use the credit system as a long-term strategic decisions in agribusiness. The essence of the German system of cheap long-term funds for mortgage lending is to create a closed mortgage finance market. It is formed around special savings and mortgage lenders - construction and savings banks (bausparkasse). Construction and savings banks are able to lend to below market rates because most attracted by means of below-market rates. The fact that depositors and borrowers of construction savings banks are the same people - members of the checkout. Low- yield deposit - a kind of payment for the right to obtain a mortgage loan at low rate.

Interaction of the fund is divided into two periods - the accumulation and credit. Originally contributor - Member has contracted cash (hence the name of contractual savings system) , according to which undertakes to make for some time, money on deposit and save them to obtain income from lower rate discussions . The amount of monthly payments and the accumulation period he chooses according to their capabilities and needs. Cash in turn undertakes to provide him with the end of the accumulation period of a mortgage loan at low rate. In Germany Bausparkasse many years consistently raise funds at 3 % per annum and mortgage loans at the rate of 5 % fluctuation in interest rates on such credit issued by conventional banks from 7 to 12 %.

The crediting period starts when the member accumulates cash half the required amount. It then receives and the same amount as the loan. All these

funds MEMBER cash buys the land or other property, makes it a pledge and begins to repay the loan. Due to the low interest rate amount of monthly mortgage payments are about the same as they were his monthly storage fees.

Terms of the contract are based on calculation, to ensure compliance liabilities and assets for the cash amount and timing. Therefore, we introduce the concept of minimum contract term savings (in different Bausparkasse it is one and a half to two years) and conditions: accumulation must reach a size that corresponds to the so-called evaluative number. The latter depends on the uniformity of making savings.

The main advantage of the system is its complete transparency. According to the German law on construction and savings banks, these organizations can not perform any active operations other than mortgage loans to its members.

Note the main advantages of savings bank to state:

- State may move partially responsible for private investors and therefore supports private initiative;
- High efficiency at relatively low costs (government, thus contributing to the stabilization of the economy);
- Under the law of state involvement in the formation of state property stimulates savings bank using public funds to supplement the corresponding bonuses employers at the same time takes into account taxation.

In a two-tier model of land mortgage in the United States to lend against land can any bank. To ensure system refinance loans provide second-level structure, which accumulate land collateral. As this structure may be a land mortgage agency, after accumulation of a certain volume of assets it

issues securities and sells them in the financial markets. The resulting funds are sent to refinance loans to banks that are involved in land-mortgage program.

Basis of Agricultural Development Foundation make large farms. Thus, in agriculture employs 52 of the land resources of the country.

The modern system of mortgage lending in the United States is the most complex model as in organizational terms and in diversity mortgage tools on the one hand, and ways to attract investor funds on the other. U.S. mortgage market is the large world by volume of borrowed funds. His activities attracted a large number of participants, including mortgage companies, savings and loan associations, commercial and savings banks, insurance companies and pension funds. In particular, savings loan associations, savings banks and other savings institutions in the structure of the sources of mortgage credit in the United States occupy 40 % of all mortgages, mortgage company financing 25 % of commercial banks – 20. The main features of mortgage lending in the U.S. mortgage loan is usually long-term (15-20 years), the interest rate below the market (an average of 3,4 %), loan amount usually does not exceed 80-90 % of the value of the mortgaged property, and 10-20 down payment is that the buyer must pay from its own funds [1].

U.S. mortgage system introduced in. RAAS Victor Khlystun, referring to the choice of the model of mortgage lending, says: "We went to the second option, because it decided that for this system is preferred. We have a huge country, and two or three land banks will not be able to cover all its territory.

Would go a lot of time creating an extensive network. But why do it if thousands of banks that could become members of the program " [2].

Thus, in the Ukraine before creating a land bank as a specialized state financial institution whose main objective is lending to agricultural producers against land and other property, you

must define the conceptual modeling infrastructure institutional mortgage introduce (as is done in) pilot project land and mortgage of land from long-term lease. In fact, more than 99 % of land for agricultural producers formed leasehold land owners of land shares (shares) (table 2).

2. Distribution of Agricultural Land in Ukraine as of 01.01.2013*

№	Indicators	Square	
		ha, thousand	%
1.	Property citizens - of all including:	31149,3	99,2
1.1.	plots of land (shares)	26297,6	83,8
1.2.	farms	268,4	0,8
1.3.	individual housing	1502,1	4,7
1.4.	entrepreneurial non-agricultural activities	8,5	-
2.	Ownership entities on agricultural land - everything including:	24,0	0,1
2.1.	agricultural cooperatives	1,0	-
2.2.	Agricultural Society	14,0	-
2.3.	other non agricultural enterprises (private and rental companies)	6,5	-
2.4.	other subsidiary agriculture	2,5	-
	However, privately owned	31373,3	100,0

*According to the State Agency of Land Resources of Ukraine (form number 6-zem)

Thus, for testing models of Ukrainian land mortgage, and finding a place in her functional land bank in Ukraine shall be established a pilot project for land and mortgage lending on the security of land and the long term lease. In the first phase of the project should be carried out in a pilot mode of lending secured by land and monitoring of their condition, and only in respect of land, properly made in the property. Later (stage 2) must provide for the extension of the system of land mortgage of land from long-term lease.

Conclusions. In world practice the basic organizational and financial schemes, in which the developing mortgage is one-level diagram (German or European, Continental) - when

the involvement of the system occurs through the mortgage banks, and a two-level (American, Anglo- American) - when attracting the necessary resources carried out by means of the secondary mortgage market through non-bank lenders - mortgage agencies. For working model of Ukrainian land mortgage, and finding a place in her functional land bank in Ukraine shall be established a pilot project for land and mortgage lending on the security of land and the long term lease. In the first phase of the project should be carried out in a pilot mode of lending secured by land and monitoring of their condition, and only in respect of land, properly made in the property. Later (stage 2) must provide for the extension

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Висвітлено зарубіжний досвід організації інституціональної інфраструктури земельної іпотеки. Для відпрацювання української моделі земельної іпотеки та знаходження місця в ній функціонального

земельного банку в Україні запропоновано започаткувати пілотний проект по земельно-іпотечному кредитуванню під заставу землі та права довгострокової її оренди.

Ключові слова: земельна іпотека, земельний банк, сільськогосподарські землі, іпотечний кредит, інституціональної інфраструктури іпотеки, пілотний проект.

Освещено зарубежный опыт организации институциональной инфраструктуры земельной ипотеки. Для отработки украинской модели земельной ипотеки и нахождения места в ней функционального земельного банка в Украине предложено начать пилотный проект по земельно-ипотечному кредитованию под залог земли и права долгосрочной ее аренды.

Ключевые слова: земельная ипотека, земельный банк, сельскохозяйственные земли, ипотечный кредит, институциональной инфраструктуры ипотеки, пилотный проект.
