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Sharafiddin Asatulloevich Ismatov

Termiz State University

Teacher of “Economics and Management” Dept.

Shavkat Muhammadiyevich Ortikov

Termiz State University

Teacher of “Economics and Management” Dept.,
Republic of Uzbekistan, Termizcity

THE POPULATION BANDHINI TAMINES, TURMUS OF REGINE OSHIRILDI HUMILIATION TAGIROVA AND USING UZBEKISTANA CHARACTERISTIC

Abstract: The article presents successful world experience in the implementation of housing policy. The issues of state participation in supporting the acquisition of residential real estate by the population affecting the allocation of social housing and the provision of benefits are considered. The essence of market mechanisms for attracting private capital in housing construction is also revealed: a system of building savings, mortgage lending and leasing. Their advantages are noted and shortcomings are revealed. Taking into account the analysis of foreign practice in the framework of implementing national priorities in terms of providing citizens with affordable and comfortable housing, the main directions for improving the existing approaches in Belarus to attract extra budgetary funds in housing construction are outlined.

Key words: housing policy; social housing; rent; mortgage; housing leasing; housing savings system; bank loans; government support.

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Introduction

In almost every country, special attention is paid to housing in order to ensure the social stability of society. The strategic objective of its operation is to create conditions for a sustainable and efficient turnover of the housing stock, when the needs of the population for housing are fully met, and the quality standards of its construction and operation are maintained and improved. Uzbekistan is no exception in this regard. However, at present, the issue of rational use of funds for these purposes is also relevant for our country. There is a problem of increasing the return on budget investments and finding extra-budgetary sources of financing for the construction of residential buildings, which is reflected in the National strategy for sustainable socio-economic development of the Republic of Uzbekistan for the

period up to 2020 and in the State program "housing Construction" for 2016-2020. Both documents define the development of housing construction with the primary use of extra-budgetary funds and long-term forms of lending to Belarusians as the most important priority of the national economy [1; 2].

To develop effective ways to achieve these goals, it will be advisable to refer to the world experience. Analysis of the long-term successful practice of targeted housing policy in different countries will make it possible to determine promising areas for improving its effectiveness in Uzbekistan.

According to the results of the research, it can be stated that in developed countries, the housing sector is regulated by market forces. Numerous organizations of various forms of ownership offer their services. Consumers have the opportunity to

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choose those that provide high quality construction and offer the most favorable payment terms. However, it should be noted that the state in one way or another interferes with the functioning of the housing market. The countries where this is most pronounced are the Netherlands, Sweden, and the United Kingdom, while Germany and the United States are the least intense [3].

Such intervention in its most General form is the implementation of measures that can be divided into two categories: direct government spending and tax instruments. At the same time, the patterns of state participation in solving the housing problem of its citizens vary significantly, including due to country differences in the concepts of ensuring universal welfare. For example, in Spain, housing construction is encouraged, on the one hand, to promote home ownership as a priority form of land ownership, and on the other, to develop the real estate sector as a catalyst for economic growth. This approach is not supported by all countries [3].

In General, the housing policy of developed countries is aimed at solving at least three major tasks:

- providing the population with housing that meets their needs and financial capabilities;
- promoting social diversity in response to the problem of concentration of certain social groups in disadvantaged areas;
- maintaining an appropriate environmental environment [3].

The authorities are making a lot of effort to implement them. In particular, programs are being developed and implemented to create a municipal rental housing stock. This trend is quite common in Europe (in the UK, Germany, Sweden, etc.). Theoretically, people who have the citizenship of a particular country or legal immigration status can use the right to receive this type of housing. However, the authorized body must make sure that the applicant for housing and his family members will be conscientious tenants, and their habits and actions will not have a negative impact on the surrounding environment and will not cause inconvenience to neighbors. In addition, additional conditions are set. For example, to rent municipal housing in Sweden, in most cases you need to wait in line for several years, so many Swedes join the queue as soon as they turn 18 [4].

The cost of living for each tenant is calculated individually depending on the level of their earnings, but in any case it is much lower compared to what the market dictates. For example, in Finland in 2018, the cost of renting 1 m² of a municipal apartment was 11.6 euros, while its market value was 14 euros per 1 m² per month [5].

In most developed countries, the practice of allocating social housing to those citizens who are officially recognized as unable to solve their housing problems on their own is enshrined in law. This type of assistance is provided to large families, single

mothers, the elderly, the disabled, and the main criterion is low income. In particular, in France in 2016, applicants for social housing in Paris could be adults whose financial income did not exceed 1,926 euros per month, as well as families of three people with one child, provided that their total income is less than 2,880 euros per month. Of course, these figures are much smaller in the periphery [4].

— As in the case of municipal housing, social housing is provided on a paid basis. Its marginal cost, as a rule, is established by the city administrations. On average, it ranges from 4 to 6.2 euros per 1 m² [7].

— In the world community, the state is widely involved in solving the housing problems of its citizens by allocating targeted budget allocations. Among them are:

- preferential interest rates on residential mortgage loans granted on market terms;
- provision of residential mortgage loans at below-market rates at the expense of special funds;
- creating conditions for reducing the interest rate on residential mortgage loans by using the benefits associated with the payment of interest on a mortgage loan when collecting income tax;
- support for housing savings programs;
- credit risk insurance for residential mortgage lending (mortgage insurance);
- providing a one-time payment for the initial mortgage payment (advance subsidies);
- housing Finance through state-owned banks [8].

In other words, the role of the state in solving the housing problem abroad is very large. However, the actions of the state apparatus are not aimed at replacing the market mechanism, but at maintaining it when the flow of private capital to this area slows down. It should be noted that in developed countries there are effective levers for attracting extra-budgetary sources of housing construction financing. Their content and specifics depend on the level of development of the insurance and stock markets in each particular country, as well as on the stability of the national currency exchange rate, the intensity of inflationary processes, the ability of the population to pay, and other factors that determine the overall background and dynamics of economic growth. At the same time, completely different schemes for solving the issue can often be implemented simultaneously, which together allow you to get the best result. From the point of view of the acceptability of successful experience for Uzbekistan, it is important to consider the system of construction savings, mortgage lending and housing leasing [8].

The construction savings system is understood as a set of institutional and organizational and legal conditions that allow citizens to make targeted savings and then receive housing loans based on them. Such savings are made in specialized savings institutions or in General banks that have permission to conduct

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these operations and are interested in mobilizing long-term resources. In turn, the concentration of the latter within the activities of individual financial organizations forms a partially or completely closed cycle of their movement, which makes it possible to achieve the maximum positive effect for both the

depositor and the lender. The allocation of loans is usually made on a first-come, first-served basis, but this disadvantage is covered by the lower interest rate compared to the loan capital market. At the same time, the procedure itself is much easier than when applying for a loan on a General basis [4].

Table 1. Comparative characteristics of the French and German models of building savings

Indicator	French model (open) of construction	German model (closed) of construction
Source of financing	Contributions from a wide range of individuals; Cash flow from active	Targeted contributions from system participants; Cash flow from active
Interest rate on loans	Floating	Fixed, preferential
Interest rate on deposits	High; is focused on raising funds from a wide range of individuals	Fixed, low
State support	Increase in the interest rate on deposits from the budget; exemption of the full interest received by the depositor from taxation	Tax benefits program; Housing savings

Note. Compiled by authors based on [9, c. 17; 10; 11].

In the world practice, two main models of construction savings have been developed, which each country, taking into account national priorities and cultural values, implements in its own scenario - German and French. Both are focused on expanding the volume of housing construction and increasing the level of housing, but they are different. In France, the system of construction savings is open, and in Germany - closed (table 1) [10].

The open model assumes that savings can be used to lend to entities that are not involved in them, and funds from non-members of the system can be used for mortgage lending. At the same time, the closed system is more transparent and easier to monitor. It involves the establishment of fixed interest on loans and savings over the life of the contract, thus making it relatively independent from financial market fluctuations. This allows it to accumulate relatively cheap resources, which in the future makes loans more affordable. In order to increase the public's interest in deposits of this kind, premiums in the form of government subsidies are provided. In turn, the open system of construction savings uses flexible interest rates, and on deposits, for their greater attractiveness (including for those who do not need a home loan), they significantly exceed the similar rates applied in the closed system, which is achieved

through budgetary support. In addition, everything that the depositor receives is exempt from taxation [10; 11].

Currently, housing construction savings systems operate in North and Latin America, in Asia. They have gained special popularity in Eastern Europe. For example, the Czech Republic and Slovakia introduced them in 1992, Poland, Hungary and Croatia in the second half of the 2000s, and Romania in 2004. The attractiveness of such systems largely depends on their budget support, in government premiums for deposits. In the country, these indicators, like many of these, are also differentiated, but everywhere they are focused on exceeding the level of inflation, which helps to smooth its negative impact at the fundraising stage (table 2) [11; 12; 13].

In general, in the current realities of economic development, savings systems operating abroad allow to finance about 30% of the cost of housing construction [11].

World experience shows that mortgage lending is no less common form of housing solution. As a rule, a mortgage loan is issued for a period of 15 to 40 years, although it can vary considerably by country. However, everywhere the interest on it is much lower than for other types of bank loans [14; 15; 16].

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Table 2. particular from magnitude The ratio of the size of the state premium to the contributions of participants in the system of construction savings and the level of inflation in some countries, 2018.

Country	The size of the state premium on the deposits of participants in the system of construction savings, % of annual	Inflation, %
Hungary	До 10	2,85
Czech republic	До 25	2,15
Slovakia	До 25	2,51
Kazakhstan	До 30	5,3

Note. Compiled by authors based on [12; 13].

The specific size of the mortgage rate depends on the level of economic development and the state's participation in its benefits. The creditors are mainly mortgage banks, which have intermediary and transformational functions, although there are exceptions. For example, in Spain, almost any bank can engage in this type of activity. The task of such structures, as well as financial institutions dealing with the construction of savings, is to attract free private capital. However, mortgage banks use not only deposits and their own resources to issue loans, but also funds raised by issuing special mortgage bonds, so-called "mortgage sheets". Their release can not be carried out by any other entity, except those named in the legislation. They are applied both in domestic and international markets, are listed on leading exchanges and make up a significant share in the investment portfolios of insurance companies and other organizations [5; 7].

Mortgage bonds are considered highly reliable and liquid securities. In Denmark, in particular, none of the mortgage bond buyers lost because of the issuer's insolvency. The reason is that the legal field of most countries contains rules aimed at limiting the risk of potential losses of mortgage banks in the absence of the borrower's obligations and, accordingly, the risk on issued bonds. Here we can mention the mechanism of forced sale (alienation) of housing in cases where the borrower has not paid and has not repaid the loan. This enables the lender to quickly take possession of the property and profitably sell it [5; 6].

As a tool to pre-empt the financial risks of lenders is also the fixation in the mortgage contract requirements regarding the operation of real estate. They are aimed at maintaining the appropriate level of the market price of the object, which determines its cadastral value, and then - the amount of credit. In practice, the value of real estate on the inventory is about 75% of the market value. At the same time, it is indexed annually by the amount of inflation and every 5-6 years it is re-evaluated. However, there are cases where, due to the physical depreciation or moral aging of the dwelling, its cadastral value was lower than the amount of the loan issued, which led to losses of banking structures and prompted them to keep the

issue under control [4].

Mortgage banks have the right to make some non-core transactions, including investments in investment projects, securities management, equity participation in various enterprises, placement of free funds in other financial institutions, etc. [4].

In world practice, as with construction savings systems, there are two standard mortgage models: European (single-level) and American (two-tier) [3].

The first is based on the financing of loans issued by issuing mortgages, which are subsequently sold on the primary stock market, closing the process of recourse at the same level. The functions of the lender and investor are performed by one person - a mortgage bank, which is guided solely by its own interests and the prevailing economic situation. The main advantages of such a model are the low cost of its organization, ease of control and the lack of costs for the payment of remuneration to service agencies. At the same time, real estate is perceived by Europeans as a single and unique commodity, so each mortgage is individualized. This prevents a quick decision on its purchase [3].

In turn, the American mortgage model is unified. The prevailing credit is a fixed-rate loan, which is paid at equal intervals in the same shares and provides for the possibility of early repayment. However, the functioning of the two-tier model involves the involvement of intermediaries. Loans issued in the primary market are transferred to specially created agencies, which can then re-concede them to other entities in the form of indivisible pools or voting rights. The pool usually collects loans that coincide with the period and payment scheme, the category of borrowers and the type of mortgaged real estate, and their sale is carried out on the basis of the securitization of transferred mortgage securities. The latter are significantly different from standard financial instruments. The frequency and amount of payments on them will be determined by the receipts in the account of mortgage liabilities. Payments are transferred from the borrower to the final investor minus the fees of intermediary structures. But due to the possibility of reducing the period of repayment of the debt, the owner of the transfer paper does not know in advance the size of his monthly income [3].

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Many experts argue that in terms of economic progress, the classic American model looks the most effective, as it provides unlimited growth of "mortgage" capital. And in general, the world experience shows that the value of a mortgage loan is quite high for all its participants: for the borrower - it is an additional opportunity to receive large funds for long periods in order to solve the housing problem; for a credit institution it is a stable work for several decades with a stable income and a guarantee of loan repayment; for the state it is a constant investment in the housing sector, the development of the construction industry and a way to pre-empt a number of social problems [5; 7].

In many countries, leasing, i.e. foreclosure leases, plays an important role in financing the cost of purchasing residential property. From the state's point of view, it is seen as a new, complementary form of fixed capital investment, where, among other things, elements of collateral financing and debt payments are involved. For the population, leasing is a promising way to buy a home with a long installment payment. At the same time, the leaseholder immediately improves housing conditions according to their physical needs and financial capabilities. In turn, since the subject of leasing before the buyout is owned by the leaseholder, leasing companies may feel protected from unscrupulous payers. This allows them to lower leasing rates, making home purchases more affordable [3].

Studies show that the rental of residential real estate and its subsequent foreclosure is actively used in the hotel sector. Here one person combines the functions of both the buyer and the leaseholder, who buys from the developer (i.e. the leaseholder) housing and transfers it to the management. The buyer lives there for several weeks a year, and the rest of the time it is rented on the principle of hotel or serviced apartments. The leasing recipient has a profit from the lease, at the expense of which he pays leasing payments. Usually the value of real estate pays off for 15 years, although sometimes the term increases to 20 years. The buyer can then either live in the dwelling purchased in this way or continue to rent it out [2].

Leasing housing is developed in the U.S. and Australia, but it has gained particular popularity in Europe. In some countries (mostly with large sea and ski resorts) it occupies a rather impressive segment of the market - from 25 to 60%. Of particular interest is the experience of Spain, where about 50% of the population buy apartments and houses for leasing. One of the largest leaseholders here is the State Society for Renting Real Estate (more - SPA). Until 2006, it specialized exclusively in renting out housing, but then began to lease it with subsequent foreclosure. In making agreements with a real estate agency, as

well as local banks and private landlords, the SPA took over the functions of selling its residential premises to the property of citizens. This organization sends in the hiring of individuals housing for a period of 7 years with the possibility of early termination of the transaction, but with the obligatory compliance with the conditions of advance notice of this. At the same time it was stipulated that the right to purchase a rented apartment appears at the tenant only after 18 months of living in it. The average cost of the objects is initially about 105 thousand euros. Subsequently, it is reduced by a percentage of the amount of payments made [7].

It should be noted that the development of real estate leasing in Europe is due to the stability of housing policy and the presence of restrictions on hereditary property. Analysis of the laws of the leading economies of the region shows that their regulations gave a clear definition of the concept of "leasing", listed its characteristics, formulated the requirements to which the parties of the contract must meet, as well as established a ratio between the lease term and the normative life of the property, regulated the relationship between the leaseholder, the leaseholder and the seller of the property, etc. [19].

World experience shows that the advantages of the method of buying a home in question can be attributed to the less stringent requirements for leasing recipients compared to the requirements for mortgage recipients and the construction of savings, including those related to the terms of payment. Its undeniable advantage is also the savings of the leaseholder on taxes. It has the right to attribute to the cost of all payments under the leasing transaction or to reduce the taxable profit on the cost of wear and tear of the object, calculated on the basis of increasing rates of its write-off [6].

The list of advantages of leasing housing is replenished by the possibility of the leasing recipient to resort to bank loans if necessary. In addition, the practice of foreclosure rental allows the owner of the property to create an optimal and transparent structure of the property by keeping it accounted for at the real market price, to preserve working capital, as well as to save significantly on the purchase of constantly expensive property. [5].

In order for these mechanisms to work fully in our country, additional efforts must be made. Further improvements in their regulatory, economic and institutional support are needed. It is advisable to solve the issues of accruing the state's premium on deposits of the system of savings system; Support for leaseholders in need of better housing conditions; review of the taxation of the income of citizens who have taken out a mortgage; competition between the banking structures involved in housing finance, etc.

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