



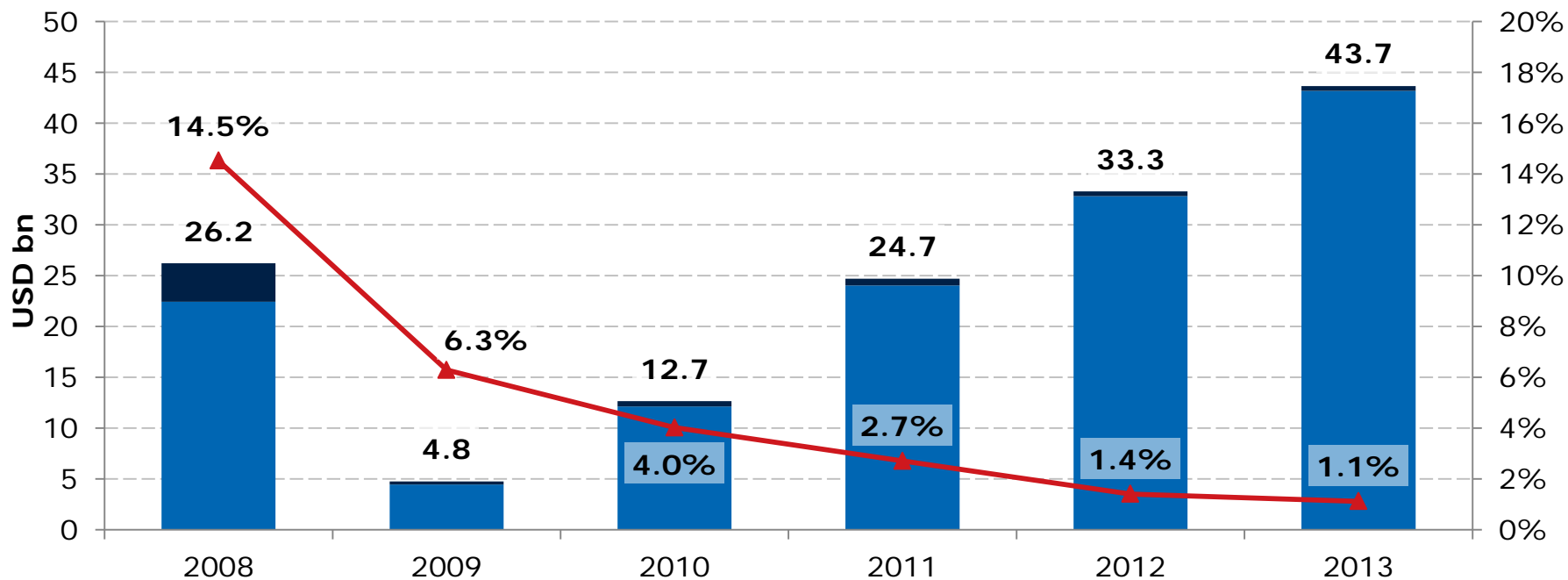
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Recent developments in securitization for Russian mortgage market funding

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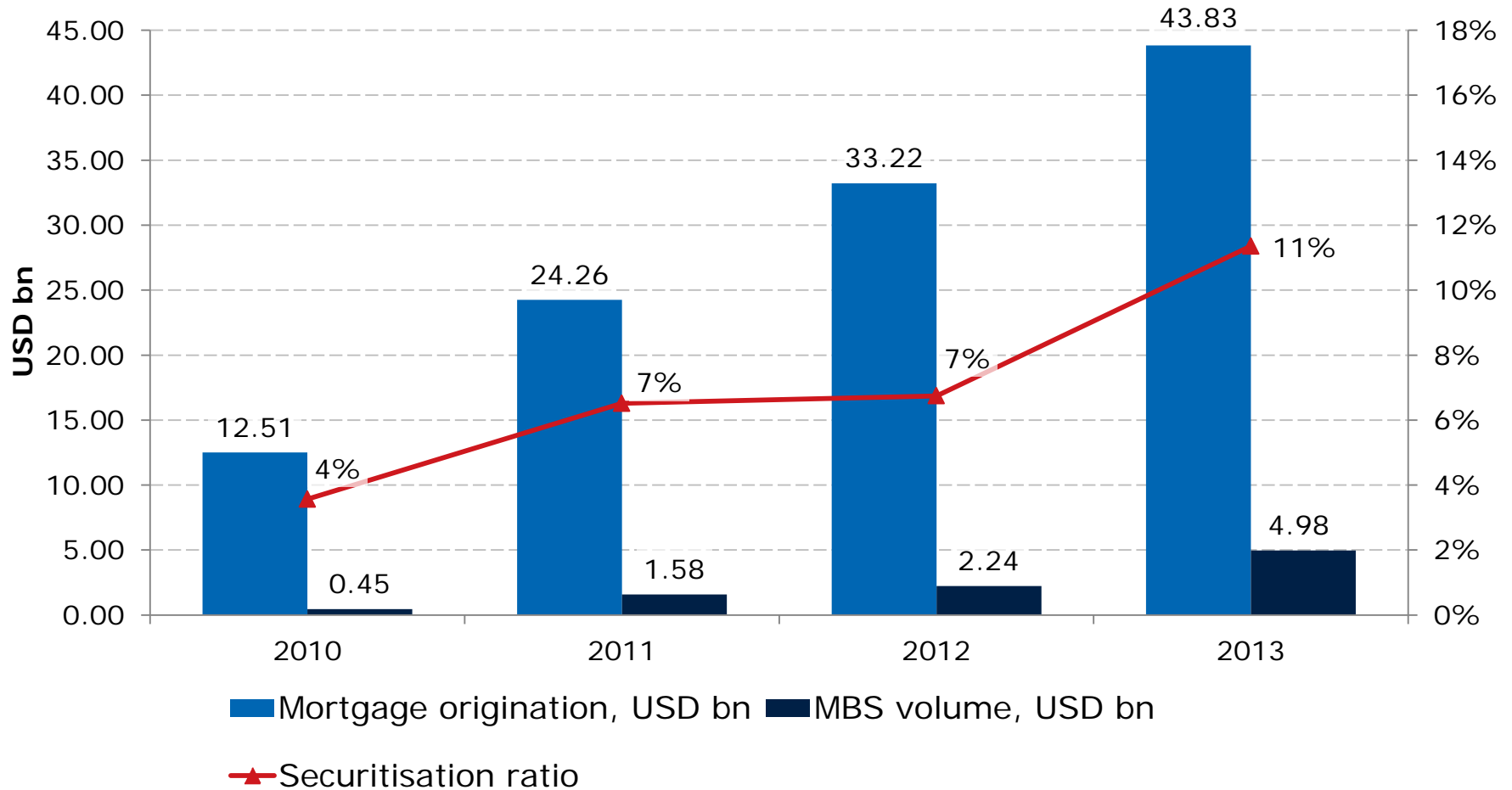


Mortgage Origination in Russia



- Foreign currency mortgage loans issued, USD bn (left scale)
- Rouble mortgage loans issued, USD bn (left scale)
- ▲ Share of foreign currency mortgage loans issued, % (right scale)

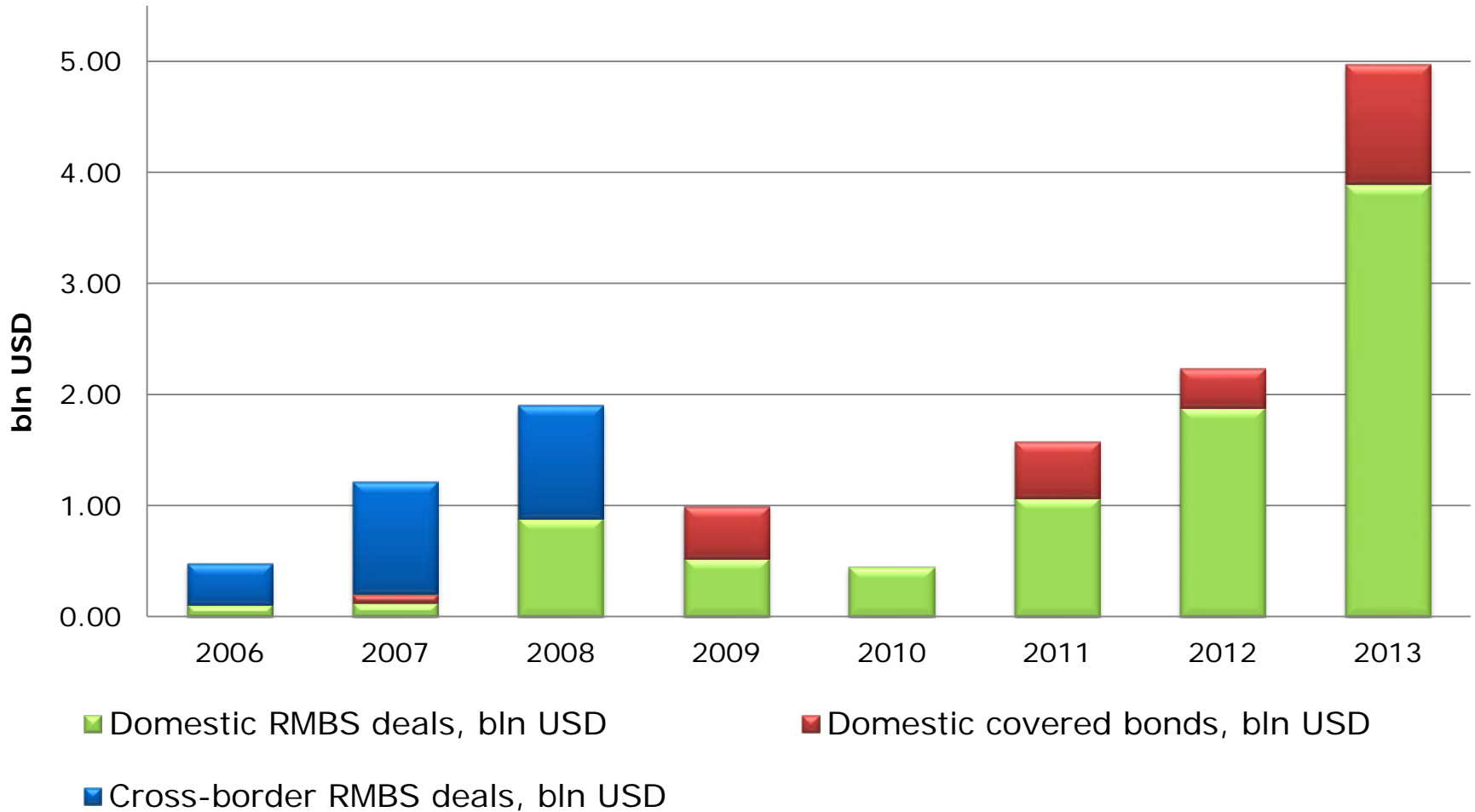
Mortgage Origination and MBS issues



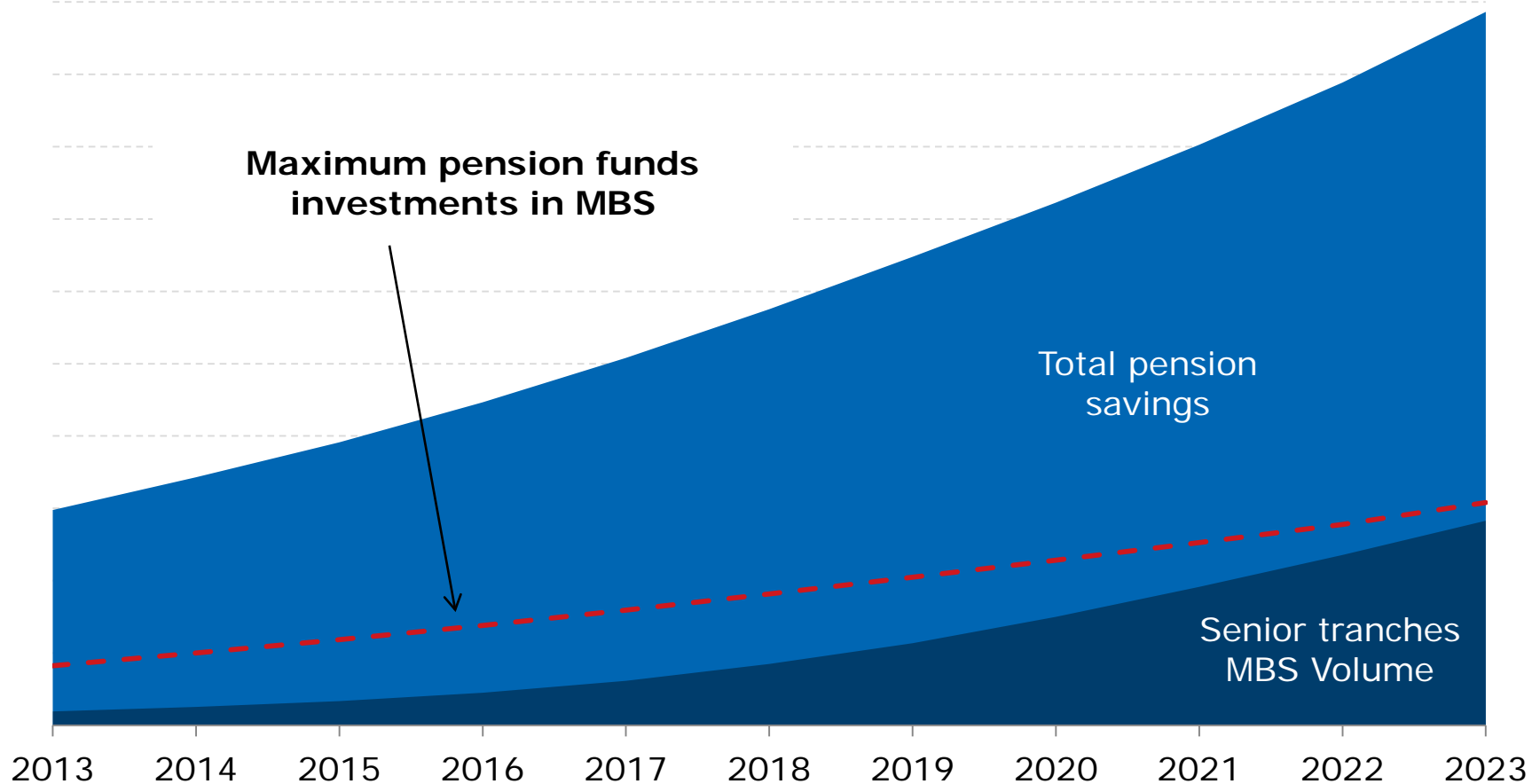
Federal Law “On Mortgage-Backed Securities”

- **Define 2 types of instruments:**
 - ✓ Covered bond (on balance sheet)
 - ✓ Mortgage-backed securities (off balance sheet)
- **Max LTV – 80% for all types of structures**
- **Monthly disclosure of mortgage collateral on loan-level basis**
- **No requirements on first risk retention by originators**

Securitisation Market Development



Pension funds as mortgage funding source



Securitization as a source of liquidity

Large-size Banks

- Covered bonds issues (on balance)
- MBS issue (off balance)
- MBS REPO with Central Bank
- MBS issue under development institutions programmes

Medium-size Banks

- MBS REPO with Central Bank
- MBS issue (off balance)
- MBS issue under development institutions programmes

Small-size Banks

- MBS co-issue with several originators
- Mortgages pool sale

Development institutions programmes for mortgage liquidity support

- **Central Bank:**
 - ✓ Short-term REPO with MBS
 - ✓ Loans collateralized by mortgage pool (coming soon)
- **Vnesheconombank State Corporation:**
 - ✓ Purchase of MBS collateralized by newly built housing mortgage (anti-crisis programme 2010-2014)
- **Agency for housing mortgage lending (AHML):**
 - ✓ Senior MBS tranches purchase programmes
 - ✓ Providing guarantees for senior MBS tranches
 - ✓ Pool credit risk insurance
 - ✓ Multi-originator deals arrangement

Thank you for your attention!

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