

論文の内容の要旨

論文題目 Secondary Mortgage Market for Residential Market Development
－ Comparative Study between Japan and Peru －
(住宅市場の発展のための債権市場
－日本とペルーにおける比較研究－)

氏名 バヨン デルガド マリア リネット

Peruvian policy makers who are looking for a catalyst for long-term economic growth, the health of the Peruvian Financial System and substantially important for this dissertation, the development and financing of the Housing Market, are actively working for the slow but sure implementation of the Secondary Mortgage Market (SMM). The SMM, the most developed model of Housing Finance, gives sustainability to the system by relating the Housing Finance sector to Capital Markets; increases the flow of funds to finance housing, even social housing; it transfers lending risks from lenders and borrowers to investors; and it increases housing affordability by boosting competency between primary lenders. However, the mechanism has been proven to be successful only when a complex mix of economical, political, financial and legal factors is in place. The decision about the applicability of SMM must be based on the constraints of the Mortgage Finance System and in the infrastructure and demand of the local capital market.

In order to get more clear ideas in why Peru should continue its way to establish the SMM mechanism as a national policy, this dissertation assumes that by discussing the differences between Japan and Peru in the development of their Housing Markets is possible to clarify why Peru must stick with the Secondary Mortgage Market.

In Japan, the government is also working to set the application of the SMM. This dissertation has found that the first laws conducive to the use of SMM were given almost at the same time in both countries. In the case of Japan these laws were the Law for the Regulation of Business Relating to Specified Claims of 1997 and immediately after in 1999 the Law for the Regulation of Business Relating to Specified Claims was amended to allow the issuance of asset-backed securities and asset-backed commercial

paper. This amendment was made in order to allow for issuance of asset-backed securities and asset-backed commercial paper. Following international trends, there has also been growing interest in collateralized bond obligations and collateralized loan obligations, which would allow commercial banks to take advantage of off-balance-sheet treatment of securitized assets” (Watanabe, 1999). In Peru meanwhile, the securitization of assets was given a regulatory framework in 1996 with the Law of the Securitization Market of 1996, and the Regulation of Asset Securitization Processes of 1997. This legislation has legal definitions of a trust, a Special Purpose Vehicle and an investor. However, the setting up of an appropriate legal and regulatory framework is sophisticated due to the legal complexities of mortgage securities and specialized institutions. In 2005 a more decisive law was given to set up securitization of mortgages: the Law 28579. This law allows Mivivienda Fund to become a Public Limited Company which is to say a state-owned company with the faculty of increase its own capital and guarantee the availability of funds aimed to the financing of new housing loans. The aims of this company are: lighten the Peruvian government burden, involvement and influence in the housing market; keep the energetic activity achieved in the mortgage primary market; get greater competence and efficiency in the creation and issuing of mortgages aimed to housing financing; develop strategies to encourage saving among the population as the way to procure a home; and the most relevant point for this study, set the grounds for the development of a secondary mortgage market that would procure private financing to the housing market, develop the local capital market, assure continuity and quality in the service given to the investor and procure standardization and liquidity through securities.

The well functioning of the Primary Mortgage Market (PMM) is the key factor for a successful application of the SMM Peru needs to attain a strong Primary Mortgage Market. The lending activity must assure a high volume of high-quality mortgages loans. Without that condition in the PMM, the housing sector will not be able to be benefited by the great advantages of SMM.

Japan is well positioned to achieve success and benefits of a Secondary Mortgage Market. Its primary mortgage market already has the legal and structural attributes necessary to attract investors. For example; primary mortgage lenders have remarkably low credit losses. Traditionally, Japanese borrowers are risk-averse and the default rates have been very low. The Government Housing Loan Corporation (GHLC) has begun to issue mortgage-backed securities for investor purchase on a small scale using

some of the corporation's own mortgages. However, the real benefits to Japan will not begin to accrue until the GHLC, or another similarly situated public or private institution, begins buying mortgages from private sector lenders and packaging them as mortgage-backed securities for sale to investors. Such sales will facilitate the flow of funds from capital markets to mortgage lenders and on to future homeowners. A secondary mortgage market would help facilitate the development of long-term, fixed-rate mortgages. Such a mortgage option provides homeowners with certainty about the amount of their mortgage loan payment over a relatively long number of years. Most mortgages offered in Japan today are some form of adjustable-rate mortgages (ARM) that leaves homeowners exposed to higher interest rates and the possibility that their payments will increase significantly over the life of the mortgage. While a 35-year fixed-rate mortgage was recently introduced in Japan, a successful secondary market will make such mortgages more accessible. With long-term interest rates in Japan going up, interest rate risk for banks may rise. Thus, the importance of spreading that risk to a broad capital market may become ever more important. The US experience shows that a secondary mortgage market works efficiently in both declining and rising interest rate environments. While securitization does not eliminate interest rate and credit risk, it does transfer those risks from lenders to secondary market institutions and a widely divers investor base, thereby rendering the risk more manageable. Further, because capital markets draw funds not just from domestic sources but from around the world, the flow of funds to Japan for domestic investment in housing could be enhanced. (Armando Falcon, Daniel Bob, 2003)

This dissertation has an outcome of two main points. The first one is that the SMM is in fact the path to follow in Peru as is the case in Japan. The Mortgage Finance System in Peru requires a Secondary Mortgages Market to achieve sustainability and increase housing affordability. The sustainability of the Mortgage Finance system can only be achieved by tapping long-term financing sources from the capital market. International organizations like the World Bank have recommended implementing a SMM. However, Peru needs to attain a strong Primary Mortgage Market. The lending activity must assure a high volume of high-quality mortgages loans. Without that condition in the PMM, the housing sector will not be able to be benefited by the great advantages of SMM. Furthermore, the Primary Market is facing problems and constraints for which the SMM may help but for which there are other not so complex and costly available solutions to implement. Japan benefits from the SMM in many points remarking that the flow of mortgage credit through the SMM will benefit the Japanese people with the

provision of long-term, fixed-rate mortgages. Both countries have problems that the SMM can alleviate but they start its way differing in the key point for the application of the SMM: a well functioning PMM

Therefore the second point of the outcome is to set recommendations to develop the PMM. The required macroeconomic and political stability needs to be supported by long-term vision Government Policy. In this sense the “National Agreement” is a good mechanism to harmonize policies and encourage the continuity and participation of all political parties, the private sector and the civil society in the national policy direction. Capital Market needs to continue being encouraged by legislation and regulations. The issuing of Sovereign Bonds is suggested to be an encouraging tool of investment in national currency. There is a potential demand for long-term debt instruments from institutional investors; one possible encouragement is to lessen restrictions in debt instruments investments.

The loan instrument requires being a marketable product, for that it needs to reach the risk qualification demanded by the investors through the reduction in the lending risk, also to attract those who are not currently interested in the financial instrument. It is imperative to reduce the lending risk and to encourage competitiveness in order to both increase households’ affordability and encourage the profitability of the business to financial institutions. The lending activity is requiring an increment in the demand for loans. Concerns on the small low-income Housing Supply suggest the necessary intervention of the government through a favourable legal and regulatory framework to encourage the participation of the private developers in the low-income housing market. Regarding Credit risk, problems to execute and realize collateral and high administrative costs, the participation of the government through subsidies needs to be prudent and targeted only to the sectors in real need. Subsidies need to be transparent and direct and be considered an ultimate resource. Despite the low incomes of sectors C and D, there is strong housing ownership that may demonstrate that households can afford a house along the time. The government must focus on the encouragement of the participation of these sectors in the mortgage finance sector.

The Peruvian government has given to MF special faculties to offer credit insurances to the financing system. It is suggested to further examine this mechanism in order to avoid exposing the government to considerable liabilities if it is not properly structured. Private innovative practices in credit insurance can be taken from international experiences and be adapted according with the know how of the private financial

institutions. In a future SMM is likely to help solve this problem. It is necessary to modify the mechanism used in Peru to overcome problems about delayed processes. It is suggested to further analyze both options and find a tailored option to Peru. It could be suggested an alternative where the ownership of the new house is kept with a third party in a costly-effective way till the borrower finishes paying back the debt. Considerations about the juridical certainty to the house buyer need to be taken. Standardization is needed to facilitate bothersome and costly processes. Any initiative of the government is recommended to be well communicated and structured. It is necessary to avoid misconceptions about the possible reduction of competitiveness in order to be a whole process in all the financial system. Technological innovation in the process is suggested to be looked from international practices. It is suggested to promote competition between financial institutions to lower interest rates. One possible approach is by a well-structured and agreed standardization of credits. The high dollarization of the system needs to be tackled, it is recommended to persuade borrowers of the benefits of opting for credits in soles. Another alternative is to reduce the interest rate in loans in soles to attract the demand. It is suggested to look to other good examples like the Mexican double-indexation as a future step and possible answer to interest rate risk.

Finally, it is implied that the initial steps of the government to a SMM development by giving to MF roles of issuer and insurer seem anticipated when there is still a pendent agenda to consolidate a not strong enough PMM. Concerns must be primarily focus on the necessary volume of standardized loans that justifies the high costs of mortgage instrument issuing. However, it is possible and strongly recommended to speed the process to a future SMM development by planning regulation in a public-private partnership basis.