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## THE STATE AND PROSPECTS OF THE DEVELOPMENT OF MORTGAGE LENDING IN UKRAINE IN THE CONDITIONS OF MODERN RISKS AND THREATS

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**Abstract.** *The current state and prospects for the development of the mortgage lending market in Ukraine under martial law are considered. The main trends of mortgage lending in Ukraine during 2020-2022 were determined. The activity on the primary and secondary markets regarding mortgage lending was analyzed and a tendency to reduce the volume of mortgage contracts on the primary real estate market in Ukraine was revealed.*

**Keywords:** *mortgage, mortgage lending, real estate market, mortgage loans, mortgage contract, primary real estate market.*

The war of the Russian Federation against Ukraine caused large-scale damage to the Ukrainian economy. The new reality has become decisive for many outdated processes in the field of real estate, including an understated demand for new construction objects that we can observe from the very beginning of the large-scale invasion. We may face the latter consequences on the real estate market in the near future, in particular, a long-term rise in housing prices. In connection with the increase in the cost of construction materials and works, a noticeable jump in electricity tariffs, an increase in the cost of fuel and the continuation of the devaluation of the hryvnia, a significant increase in the price of the construction process should be expected. As for the secondary market, it is currently significantly discounted, due to a general decrease in the number of objects put up for sale, relatively speaking, although sellers are

in no hurry to reduce prices, but in the case of real interest, they often make concessions to buyers, which even now a bit. Also, the complexity of the situation will arise from the fact that in 2022 the secondary market was partially reformatted from the purchase and sale to the rental market. Therefore, the article envisages a prominent place for mortgage lending in ensuring the development of the national economy, in particular, it is established that preferential mortgage programs from the state: "Affordable Mortgage" and "eOselya", which offer reduced interest rates: 7% and 3%, have significantly helped to revive the real estate market annual respectively.

According to the dynamics of the number of concluded deals on the real estate market in Ukraine during 2021-

2022 studied in the article, the fact is that the majority of buyers took an exiting position, which is explained by physical and economic risks.

The main reasons for the low demand for mortgage lending, in our opinion, can be stated: a decrease in the solvency of the population, expectations of real estate prospects, higher cost of resources and balance sheet restrictions, as well as negative exchange rate expectations.

Nevertheless, a significant increase and decrease in requirements for bank borrowers was established, which contributed to the growth of the population's demand for real estate loans, which, in fact, deserves production not only for the revival of the market after a long period of stagnation, but also for active development in the future.

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