

The decree of the president of Azerbaijan Republic about the creation of the system of mortgage credit in Azerbaijan Republic.

To improve the population's living conditions, to create the efficient financial mechanism of the apartment building, to provide the conform of the purchasing power of supply to real demand, forming in this area and with the purpose of attracting local and foreign investors to the mortgage credit I decide:

1. To create Azerbaijan mortgage Fund under National Bank of Azerbaijan Republic.
2. To instruct National Bank of Azerbaijan Republic during a month:

To prepare the Regulations project about AMF to present it to the president of Azerbaijan Republic for maintaining;

To prepare regulations project about AMF lending and to present it to the president of Azerbaijan Republic for maintaining;

The agent, who will take part in the AMF lending, maintain the list of banks, determining on the base of suitable criterions;

The Ministry of Justice of AR and at The Cabinet of Ministers of Azerbaijan Republic with the Service of Real Estate State Register, rights' state registration, created on the real estate to be driven on the basis of more completion scheme proposals to present to the president of AR;

With the purpose of stable increasing of the means volume which is directed to the mortgage credit, with the State Committee of Securities under the president of AR, creation of the Mortgage Loan Institution and by this way attracting proposals to the AMF by the National Bank of AR, State Oil Fund of AR and institutional investors (including insurance companies, investment funds, etc.) to present to the president of AR.

3. To determine that the State Registration of the mortgage paper led by The State Register of Real Estate at the Cabinet of Ministers of AR.
4. To instruct to the Ministry of Finance of AR:
 - 4.1 To take into consideration the separation of means in State Budget projects to AMF for 2006 and next years;
 - 4.2 To make appropriate actions with the purpose of supporting the growth of Mortgage credit system according to the perfection of insurance system (including real estate, insurance of borrower's life and working ability).
5. To instruct The Cabinet of Ministers of Azerbaijan Republic:
 - 5.1 To make inevitable actions for providing with administrative building the AMF;
 - 5.2 To present the proposals of providing the various strata of population, especially young families with compromise mortgage credit to the president of AR during a month;
 - 5.3 To prepare and present the notary approval of the creation of mortgage right with the relation of Government bodies, the proposals of decreasing financial expenses according to the realization of mortgage and registrate these rights to government registration during a month to the president of AR;
 - 5.4 To prepare and maintain the simplified government registration rules of mortgage security and inform the president of AR about it;
 - 5.5 To prepare the project of AR rights with the National Bank of AR about the "Deposits for Living and Building" and present it to the president of AR during three months;
 - 5.6 To solve the other problems which arise from this Edict according to his authority.
6. This edict comes into force since the day of publication.

Ilham Aliyev,
The President of Azerbaijan Republic
Baku, September 16, 2005