

Vinod Kothari Consultants P. Ltd. presents



The Affordable Housing Finance Summit

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22-23 January 2013

Venue: Sofitel, C-57, Bandra Kurla Complex
Bandra East, Mumbai 400051, India

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 **International
Finance Corporation**
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Highlights

- ▶ The stakeholders of the industry come together to discuss problems, prospects, opportunities and environment of housing finance.
- ▶ Housing finance seems to be on a steep growth path, with huge potential for further growth: extremely opportune time to sit across and take stock of the developments and be ready for the unleashed force!
- ▶ Hear the market participants' perspective on issues concerning them and way forward.
- ▶ Excellent place for networking.
- ▶ Top speakers on respective topics.

Genesis

The role of housing in the development of an economy is well recognized. This is one of the principal sectors that revitalizes the economic growth of a nation and is also one of the indicators of social well being. Quintessential to the development of the sector is housing finance. As per Government estimates, the total housing shortage in the urban areas, at the beginning of the 11th Plan period was around 24.71 million units, of which 99 per cent pertains to the economically weaker section (EWS) and low income group (LIG) categories. The Central Statistical Organization's (CSO) estimates housing sector contributed about 4.5% to India's Gross Domestic Product (GDP) in 2003-04 at current prices, contribution of housing in urban areas was 3.13%, however it was estimated that by the year 2011, urban areas would contribute 65% of the GDP also depending on the availability and quality of infrastructural services. The outstanding housing loan as a percentage of the GDP has gone up from 3.4% in 2003 to 7.25% in 2007 and the residential property market in India constitutes 80% of the real estate market in India and is growing at 34% annually. Housing finance in the last five years has witnessed exponential growth with the Compounded Annual Growth Rate (CAGR) around 30%.

It is also well recognised that free play of market forces leaves a significant percentile of the population pyramid uncovered by traditional players in housing finance. Financial inclusion is a major objective of civilised societies, and housing and housing finance affordable for the masses is quite clearly the objective of all nations.

Of late, the momentum towards affordable housing finance has gathered pace. Several fronts have opened – making housing itself affordable using special construction techniques, housing microfinance for progressive building including self construction, etc. There exist several government schemes in most countries for subsidies to make mortgage lending more affordable to the lower segments of the population pyramid.

Affordable housing finance continues to be a strong focus area for the Government of India too. Several measures have been taken in the recent past – including tax benefits, subsidies through Rajiv Awas Yojna, special refinancing schemes of the National Housing Bank, priority sector treatment to bank lending for micro mortgage lending, and so on. However, given the magnitude of the task, every such effort appears to be miniscule.



What is this Summit?

The Summit is intended to be a coming together of stakeholders in affordable housing finance space.

There have been such events organised by different event producers in the past as well; however, this Summit has several distinctive features, notably:

- Unlike other events which are lost between affordable housing and affordable housing finance, this Summit is clearly focused on affordable housing finance. At the same time, we realise that there cannot be affordable housing finance unless there is affordable housing – hence, we are devoting a session on affordable housing techniques too, but the focus on financing side is clear.
- The Summit is focused on market play for affordable housing finance and while it does discuss briefly government subsidies, but the Summit is designed to discuss market-driven measures that may sustain affordable housing finance. Hence, the focus of the Summit is on private sector, or public-private partnership in affordable housing finance.
- The Summit will discuss affordable housing finance as well as housing microfinance.
- The Summit intends to give a special focus on rental housing as the option. It is increasingly realised that instead of plain mortgage products, structured solutions such as rent-to-own options blend far more easily with the income levels of the lower sections of the pyramid.



The Organisers

Vinod Kothari Consultants P Ltd (VKCPL) is a premier consulting and training entity in the field of banking and non-banking finance. For years, we have been occupying a very crucial position on finance consulting.

Headed by Vinod Kothari, who is author of several books on the subject and trainer all over the world, VKCPL has been into the very thick financial services advisory in India. Apart from India, VKCPL has carried out transaction advisory services in several other countries – Indonesia, Sri Lanka, Egypt, Jordan, Philippines, to name a few.

In the housing finance space we have been engaged in several assignments in India and several other countries.

With offices in Mumbai and Kolkata, VKCPL has also been associated with most of the large players in the asset finance industry. Know more about our organisation on our website at <http://www.vinodkothari.com/>.

Who Should attend?

- ▶ Housing finance companies
- ▶ Banks
- ▶ Housing developers, construction companies, real estate investors
- ▶ Prospective NBFCs/ financial institutions
- ▶ MFIs
- ▶ NGOs
- ▶ Consultants and Practitioners
- ▶ Regulator
- ▶ Credit rating agencies
- ▶ Legal professionals
- ▶ Securitisation professionals



AGENDA FOR THE SUMMIT

Day 1: 22nd January, 2013

1. Overview of Affordable Housing Finance Market India and Globally
 - a. Global and India Scenario
 - b. U.S and the sub-prime effect and lessons housing finance scenario in Asia
 - c. Lessons in affordable housing finance and housing microfinance initiatives in other countries
 - d. Overview of the dynamics of affordable housing and affordable housing finance market
2. Regulatory overview
 - a. Current regulations on Housing and housing finance, policies governing affordable housing- incentives, issues and challenges
 - b. Government schemes and subsidies in affordable housing and affordable housing finance
 - c. Practical issues faced by developers, financiers – documentation, stamp duty issues, refinancing and more.
3. Affordable Housing and Housing Microfinance
 - a. Affordable housing, housing microfinance and subsidized housing – brief introduction
 - b. Affordable housing finance and priority sector lending
 - c. Basic principles and proponents of housing microfinance
 - d. Key Challenges in housing microfinance in India and scaling up
 - e. Incentivising affordable housing and housing microfinance
4. Integrating affordable housing finance with housing construction
 - a. Housing development in India issues faced by construction companies.
 - b. Bottlenecks in affordable housing finance and low-cost housing finance and construction space.



AGENDA FOR THE SUMMIT

Day 2: 23rd January, 2013

5. Equity and debt funding for housing finance
 - a. Sources of funds available for housing finance
 - i. Enough to meet the demands?
 - ii. Constraints in arranging funds for affordable housing finance
 - b. Availing the capital market window
 - c. Innovative Instruments and models across globe that can be replicated
 - d. REITs in India
 - e. Tapping foreign sources of funds
6. Refinancing for housing finance business
 - a. NHB as the nodal agency ; NHB's role specific to affordable housing
 - b. Mortgage insurance
 - i. Mortgage guarantee companies in India
 - c. Home Equity
7. Securitisation & Covered Bonds: contribution to affordable housing segment
 - a. Need for capital market window
 - b. Tapping long term sources of funds
 - c. Securitisation and factoring guidelines
8. Rental Housing
 - a. Does rental housing provide the ideal alternative to un-affordable housing finance?
 - b. Where does this fit in Indian scenario
 - c. Benefits and key challenged to adapt this model
 - d. Success of rental housing globally



▲ The Affordable Housing Finance Summit 2013

Registration Form

The Affordable Housing Finance Summit 2013
Venue: Sofitel, C-57, Bandra Kurla Complex
Bandra East, Mumbai 400051, India
22-23 January, 2013

Name _____

Designation _____

Qualification _____

Signature _____

Name of the Organisation _____

Address: _____

City: _____ Pin Code: _____

Telephone: _____

E-mail _____ Fax _____

Enclosed (Check one):

(Cheque)

(Demand Draft)

(Cash)

Payment may be made by Cheque/remittance favouring VINOD KOTHARI CONSULTANTS PVT LTD.
Foreign participants may make direct remittance using their credit card. Please contact us for credit card payment instructions.

Cancellation made upto 5 days before the event will be entitled to refund of 75% of the fee paid. No refund will be made for cancellations.

For registration and fee details, contact us:

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Your Investment

Participation fee: Indian Resident INR 20, 000 per participant

For NRI's US\$400 per participant

Gradation Discount: Only if more than 3 persons from the same organisation

Register before 10th December 2012 and save 20% of the participation fee!!!

Venue, Mumbai | Day 1: 9am – 5.30pm | Day 2: 9am – 5.30pm