

Review: "Modeli stambenog financiranja – Housing Finance Models"

(1) Date:

10th September 2005

(2) Reviewer:

Dr. Evan Kraft
Director of Research
Croatian National Bank
Trg hrvatskih velikana 3, 10000 Zagreb, Croatia

Short science CV of the reviewer:

Dr. Evan Kraft received his PhD in 1990 in the fields of macroeconomics and economics history at the New School for Social Research in New York in USA: *Capital Allocation, Industrial Structure and State Investment Policy in Yugoslavia, 1966-1982*. (Awarded: *Kurt Riezler Memorial Award*). He has taught International Economics, Principles of Macroeconomics and Principles of Microeconomics, Introduction to Political Economy, European Integration, Money and Banking at other courses at several US and Croatian faculties (Franklin P. Perdue School of Business, Salisbury State University u Salisbury, Maryland from 1990 until 1997; Drew University 1989; State University of New York at Purchase in New York in 1989; New School for Social Research from 1987 until 1988; Faculty of Economics in Split in 2004; Zagreb School for Economics and Management). He has authored and co-authored many books and articles in the field of banking policies and operations, macroeconomics and monetary policy, published in international and Croatian publications. He attended many international and Croatian conferences as lecturer and/or participant. From 2000 to 2005, he was the Director of the Research Department at the Croatian National Bank.

(3) Book details:

Author: Mr. Sc. Mladen Mirko Tepuš, MBA
Topic: Modeli stambenog financiranja
Housing Finance Models
Number of pages: 168 (font 12, double line spacing)
Number of charts: 14
Number of tables: 27
Number of chapters: 8
Number of references: 106

(4) Comments of the Reviewer:

- About the importance of the subject of the book

The area of housing finance is of special importance for at two major reasons. The first is social: the provision of housing is fundamental to the living standards of the population. The second is financial: housing loans are a key segment of the banking business, and these loans provide collateral for homeowners to use in financing both consumption and business undertaking. Furthermore, housing loans provide the basis for mortgage bonds and mortgage-backed securities, which can be important capital market products.

With this as background, the importance of Mladen Mirko Tepuš' work emerges clearly. His is the first systematic study of the issue of housing finance in Croatia. It provides, in a very clear and concise manner, very useful comparative information about housing finance in developed financial markets (the U.S., U.K. Germany, Denmark) and transition financial markets (Poland, Czech Republic). And it continues with a thorough and useful analysis of the institutions of housing finance in Croatia.

- About the originality of the book and its contribution to knowledge in the area

The work is original in that it is the first work in the Croatian language that brings together data on housing finance. In addition, the work offers a very clear and useful analysis of housing finance in Croatia, an important contribution to this field.

- Comparison of the book with ones in the same or similar subject, with reference to its comparative quality

In terms of clarity, accuracy and thoroughness, I believe that this work meets the standards of similar works in finance.

- About the appropriateness of the approach

The approach of this work relies heavily on comparison on international experience. This is very useful, because housing finance institutions vary considerably from country to country, depending on particularities in law, financial structure, settlement patterns and income distribution. For this reason, simply looking at general principles is not terribly helpful. The approach taken in this book looks at a large set of useful examples, and then compares the Croatian experience to the models—truly the most reasonable approach I can think of.

- About the correspondence between the terminology used and units with technical norms and prescribed units of measure

All titles and units seem appropriate and I could not detect any violations of law.

- About the part of the scientific community and general public that may be interested in this book

The work is full of useful tables and data. It is written so as to be useful to financial professionals, policy makers, professors and students. Overall, the book is not excessively technical, and will be easily read by a relatively wide audience.

- About the social need for and justification of publishing the book

As I mentioned above, the field of housing finance is of enormous social importance, as it is one of the keys to meeting the basic human needs of the broad population. This work is an important contribution to this very important field, and thus certainly merits publication.

(5) Type of the book by categorisation:

I suggest that this book be published as a scientific work.

(6) Final conclusion of the reviewer:

I strongly recommend that this excellent work be published.