



DEEP DIVE: SBER MORTGAGE BUSINESS



29 September, 2021



4:00 pm Moscow / 2:00 pm London

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Kirill Tsarev

*Deputy Chairman of the Executive
Board, Head of Retail*



Nikolay Vasev

*Vice-President,
Head of Domclick*



Dzhangir Dzhangirov

Senior Vice-President, CRO





MORTGAGE MARKET

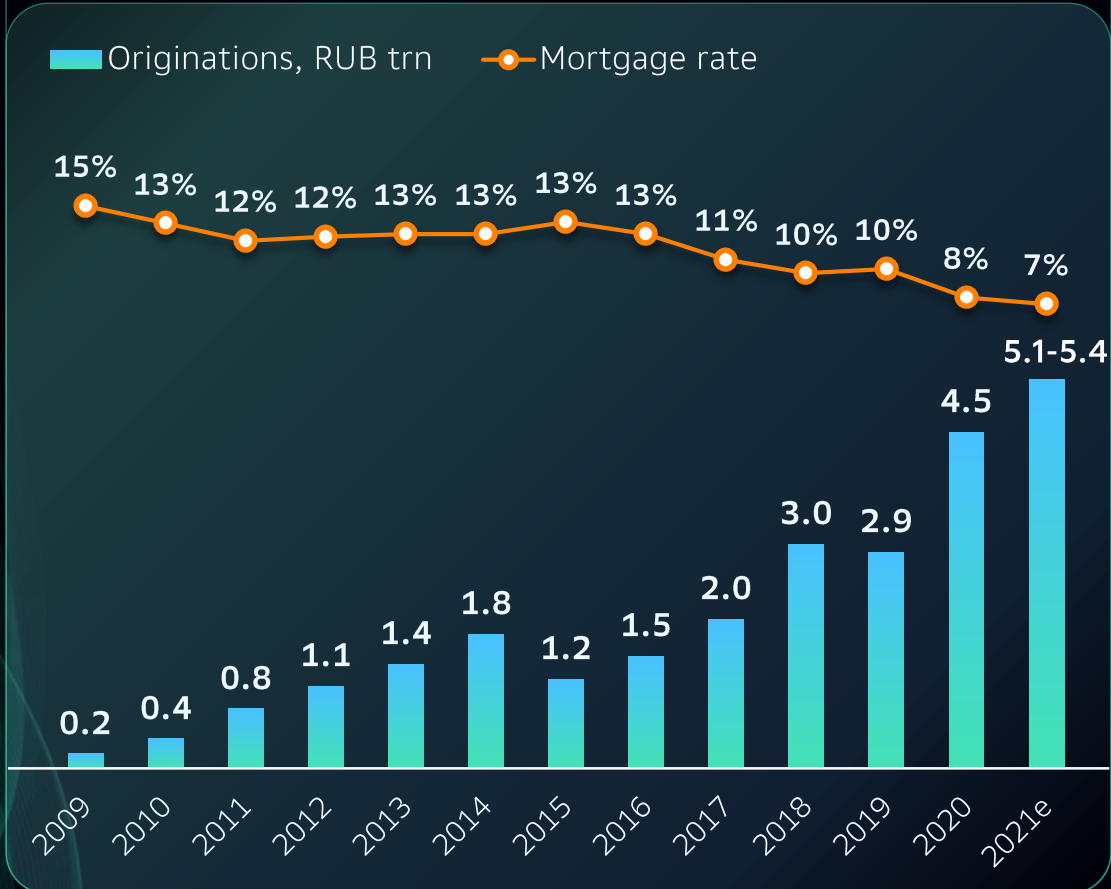


Kirill Tsarev

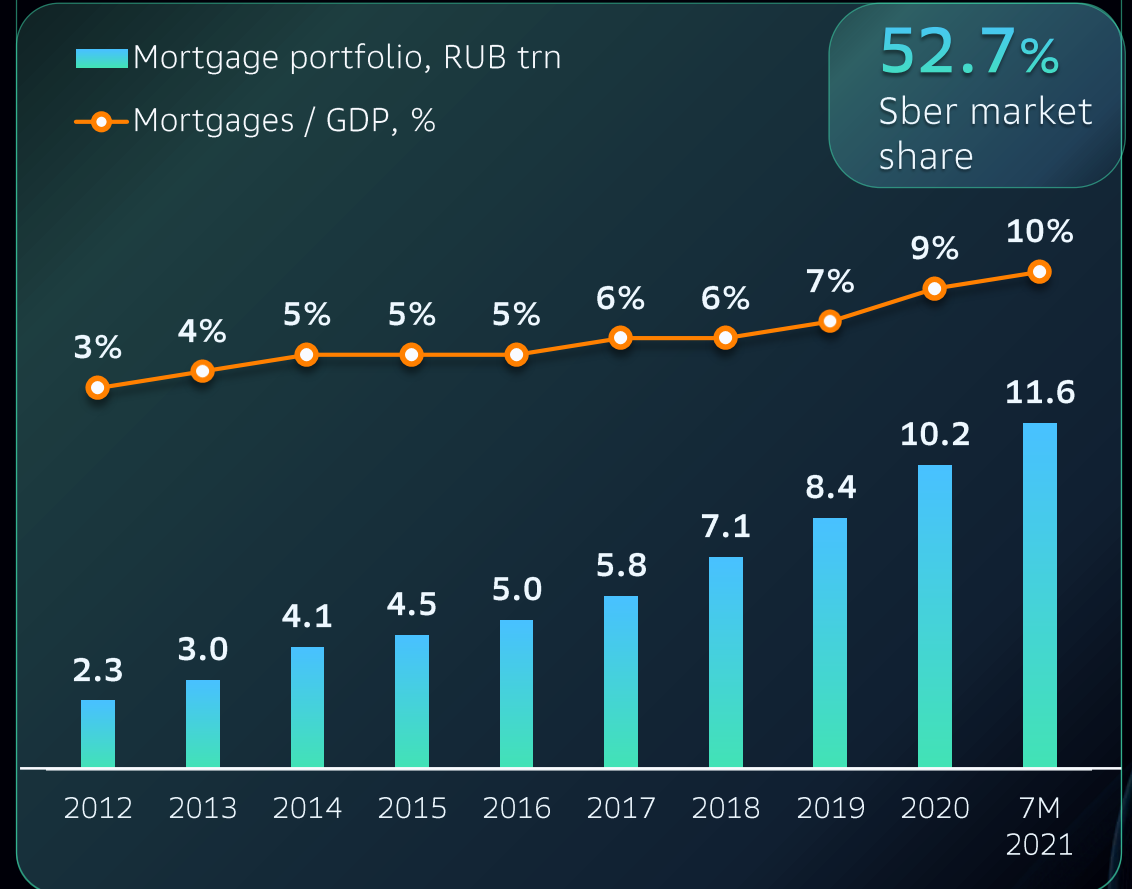
*Deputy Chairman of the Executive
Board, Head of Retail*

The rates decrease made mortgages more affordable. Total mortgage portfolio reached RUB 11.6 trillion or 10% of the Russian GDP

Mortgage loan originations ramped up as the rates were decreasing

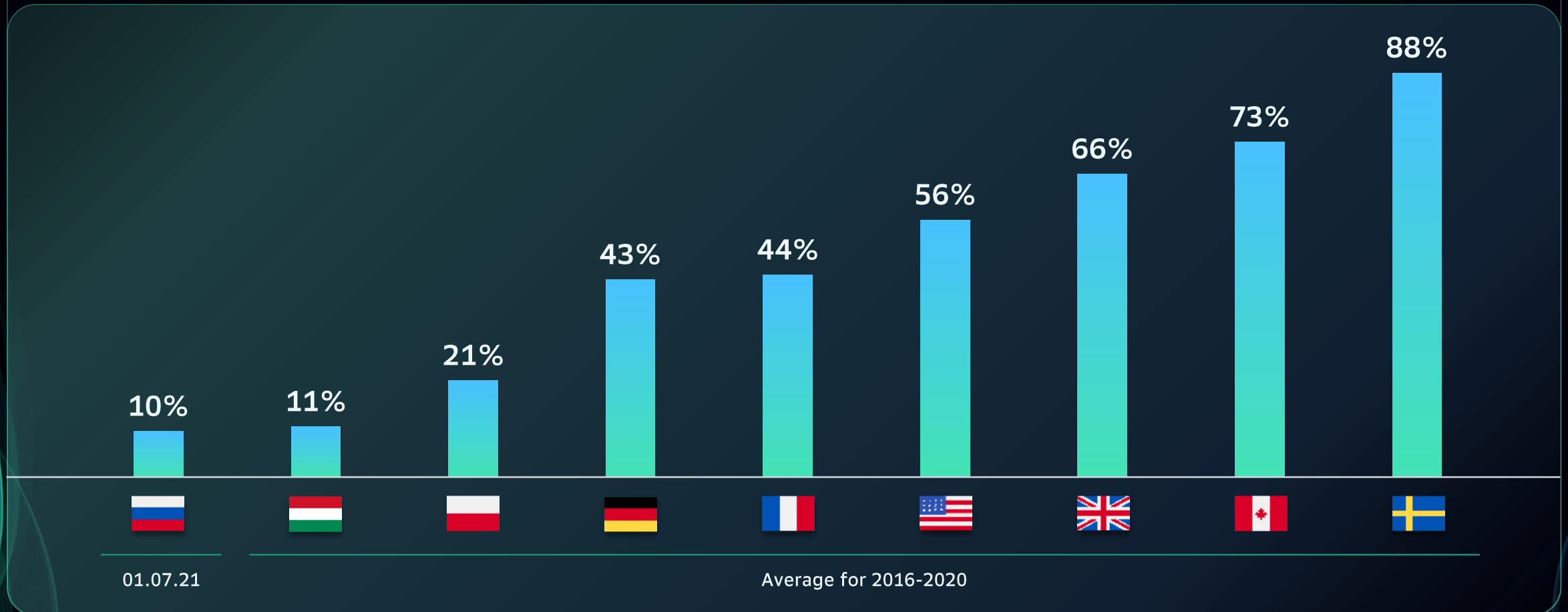


Mortgages penetration to GDP reached 10%



The Russian mortgage market has potential to grow further, as compared to other countries

Mortgage portfolio to GDP, %



Key characteristics of the Russian mortgage market

Average mortgage loan in
Russia

2.86 RUB mn

↑ 16.1% y/y

Average weighted
contractual duration
of a mortgage loan

20.2 years

↑ 2.1% y/y

Average amount o
f a mortgage payment

23.2 RUB ths

↑ 12.9% y/y

Average weighted mortgage
rate

7.7%

↑ 0.3 pp y/y

Average factual duration
of a mortgage loan

<5 years*

Stable y/y

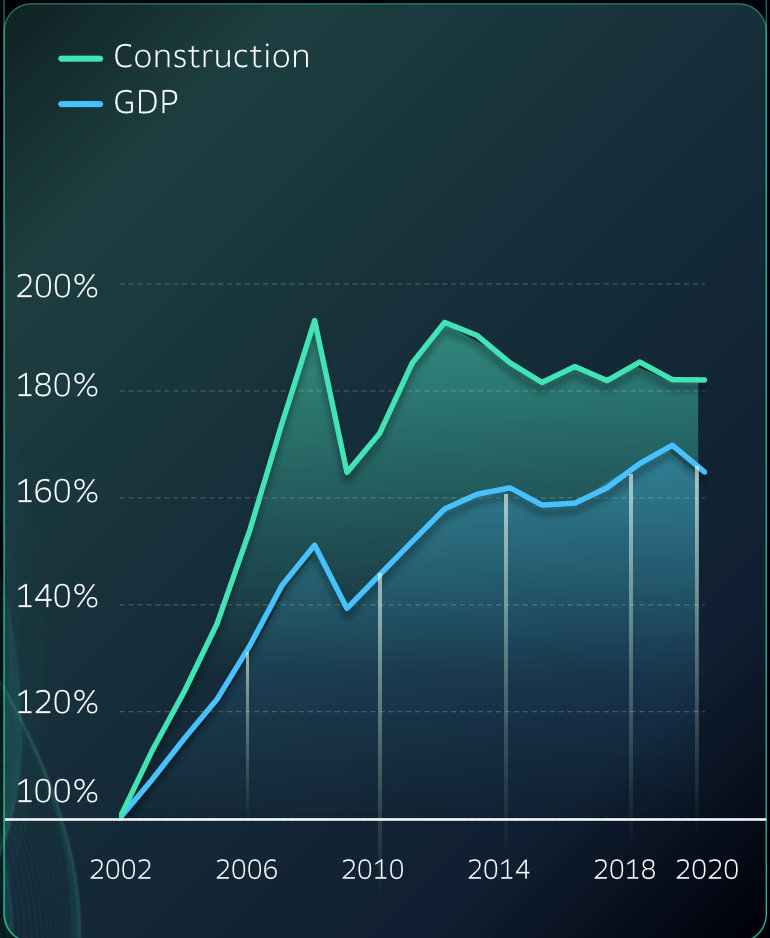
Share of mortgage overdue
loans

0.6%

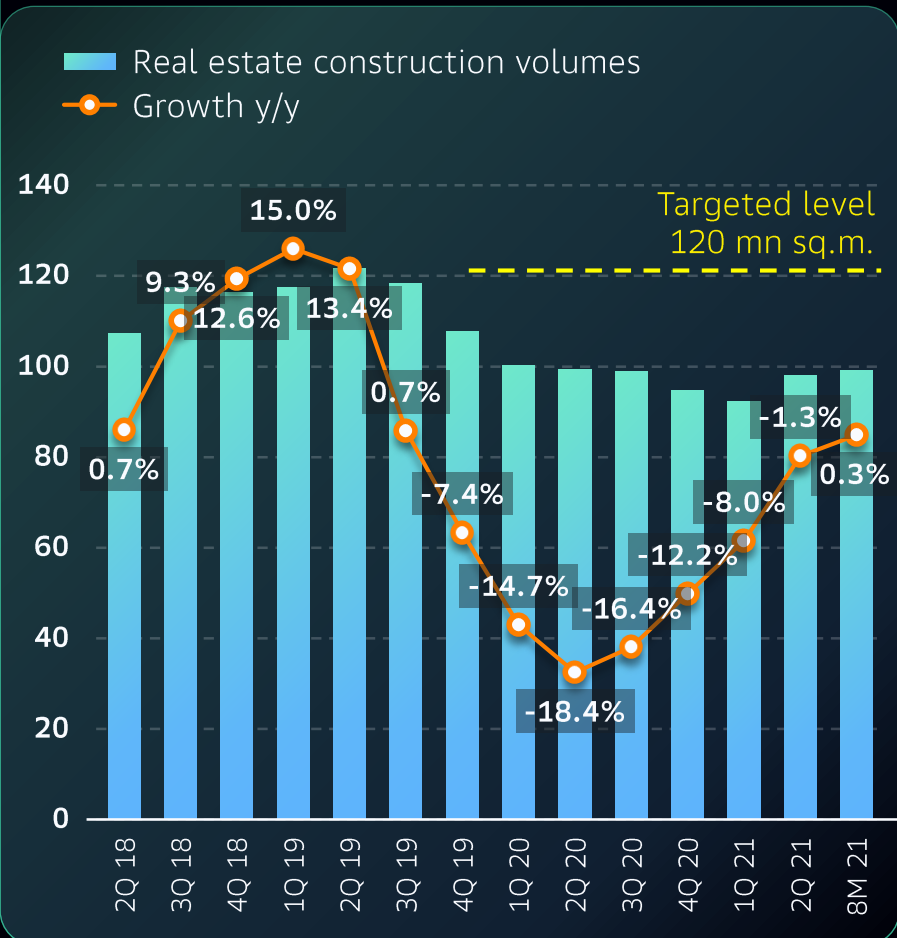
↓ 0.2 pp y/y

From 2013, the construction industry was stagnating. Despite the recent recovery the industry still lags behind in completing the targeted construction volumes

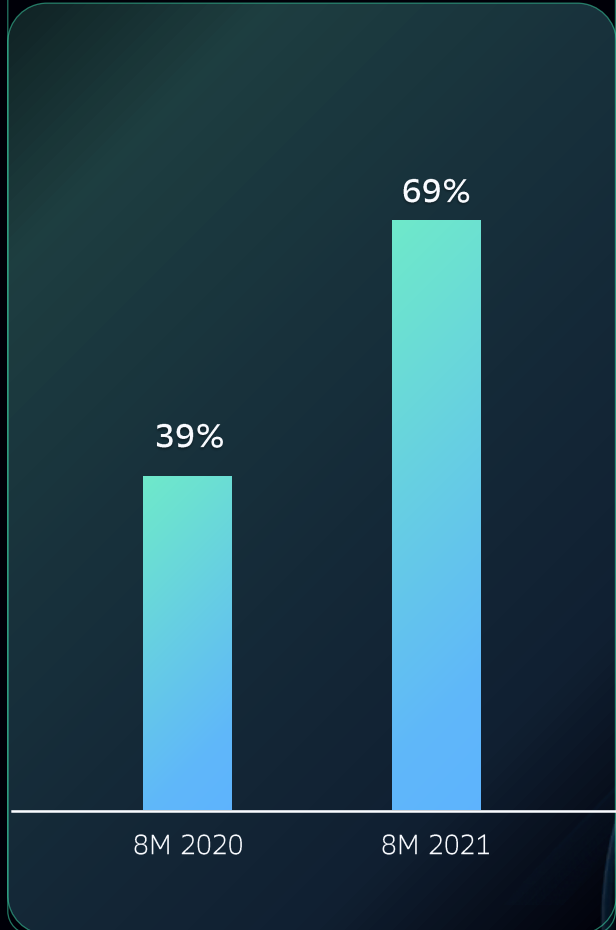
Real estate development



Real estate construction volume, mn sq.m.



Share of escrow accounts in total volume of residential real estate construction



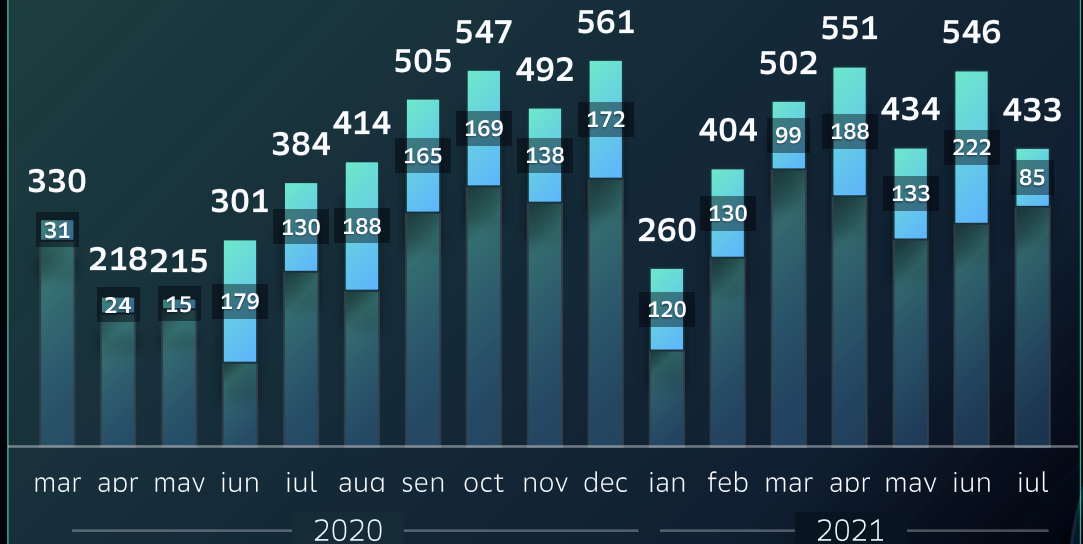
The state subsidy program partially mitigated the negative impact from the 2020 crisis. Effective July 2021, the terms of the program were changed

Key parameters of major state subsidy programs

«State program 2020»	Up to July 1 2021	Post July 1 2021
Maximum rate	6.5%	7%
Maximum amount of loan	RUB 12 mn Moscow, St. Petersburg RUB 6 mn other regions	RUB 3 mn all regions
Families with children		
Program terms	Families with 2+ kids, born from 01.01.2018 to 31.12.2022	Families with 1+ child, born from 01.01.2018 to 31.12.2022
Maximum rate	6%, 5% для Дальнего Востока	6%, 5% для Дальнего Востока
Maximum amount of loan	RUB 12 mn Moscow, St. Petersburg RUB 6 mn other regions	RUB 12 mn Moscow, St. Petersburg RUB 6 mn other regions

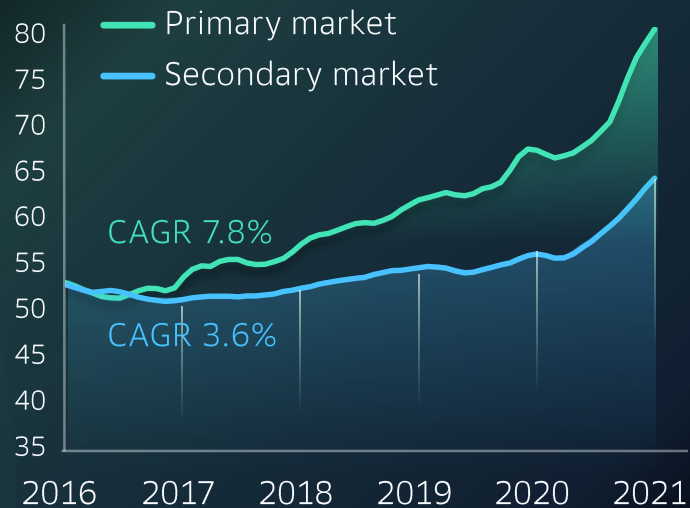
Mortgage originations in Russia, RUB bn

State programs
Other mortgages

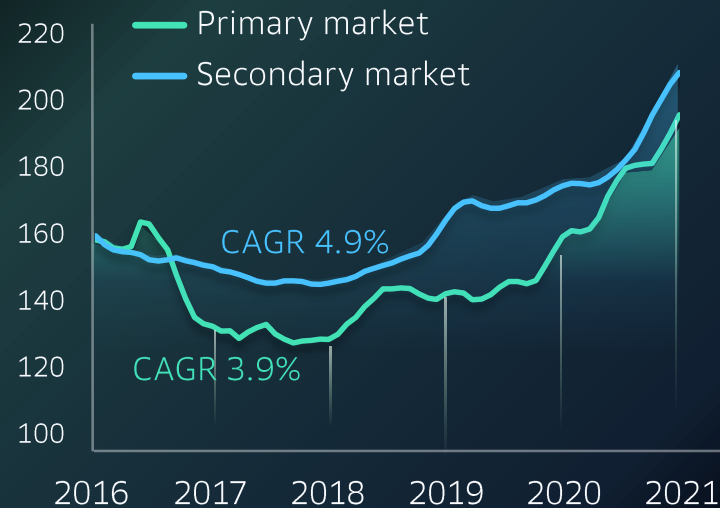


Real estate prices rise close to the inflation rate over a long-term horizon

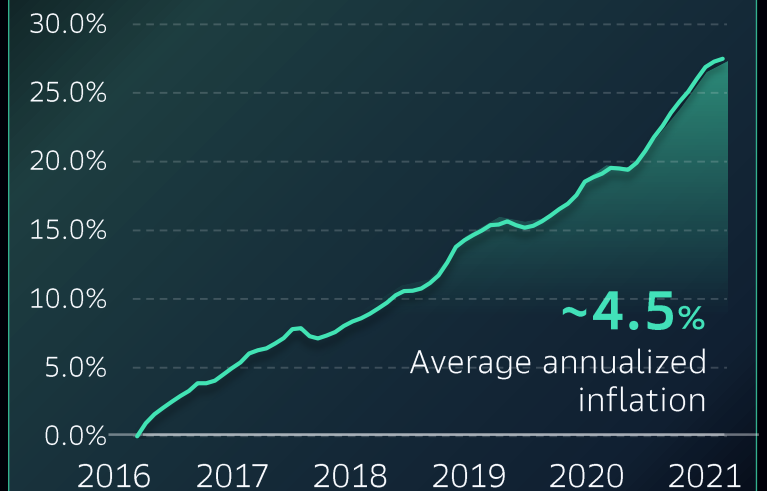
Cost of sq.m. in Russia,
average, RUB ths



Cost of sq.m. in Moscow,
average, RUB ths

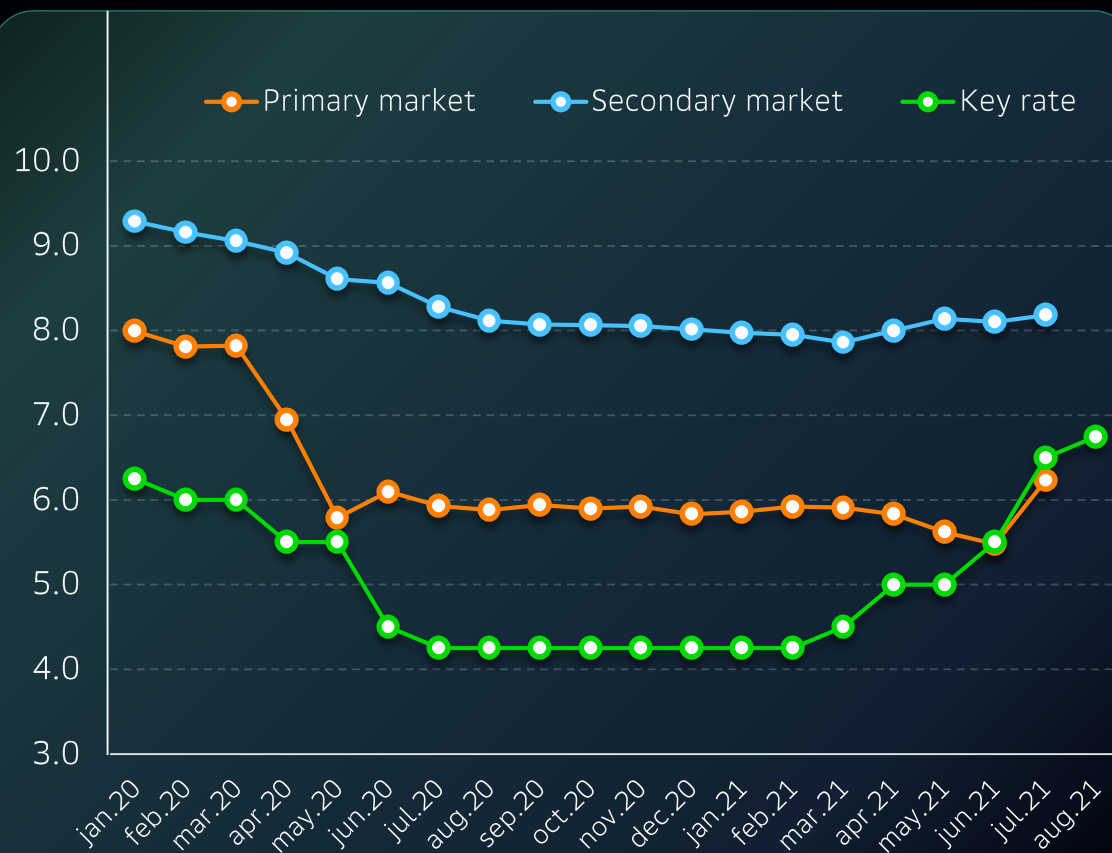


Inflation in Russia,
cumulative

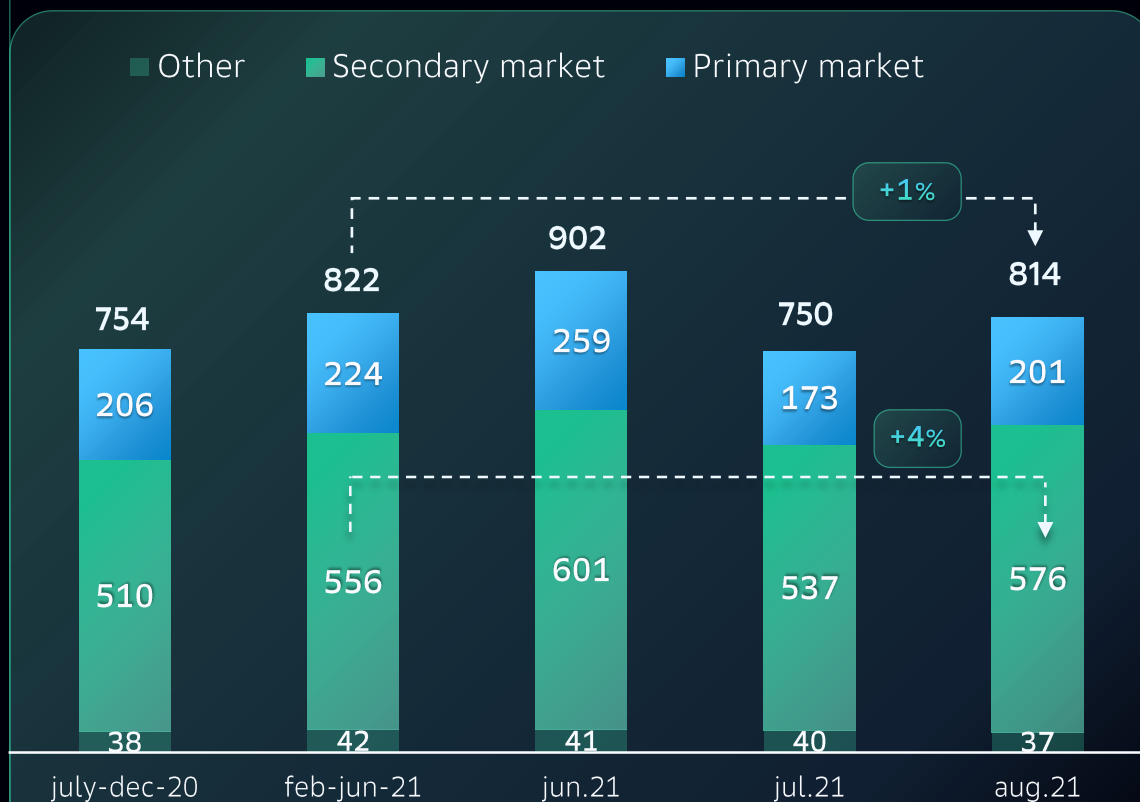


Demand for mortgages came down immaterially despite the hawkish monetary policy from the Central Bank of Russia and changes to the terms of the state subsidy programs

Average market rates, mortgage originations, %



Volume of mortgage applications at Sber, RUB bn



Real estate developers are offering subsidies to stimulate demand...


Ипотека 2,99% Проекты Квартиры Ипотека Trade-in Услуги Ритейл Офисы продаж ...

Главная · Способы покупки · Ипотека 2,99%

Ипотека 2,99% «Меньше переплат»

Снижаем ставку для самых решительных!
Успейте купить квартиру с минимальной переплатой
по уникальной ставке 2,99 %

Получить одобрение




Проекты Квартиры Способы покупки Акции Новости О компании Контакты Избранное +7 (495) 401-73-81

Стандартные условия – для всех!

Ставка 5,3%

На срок до 30 лет, первый взнос от 20%

Выбрать квартиру



Регион
Москва О компании Новости Как купить Контакты Телефон
+7 (495) 132-07-91

ИПОТЕКА ОТ 1,1%


ЕВРОПЕ НА ЗАВИСТЬ

НОВОСТРОЙКИ КОММЕРЧЕСКАЯ TRADE-IN АКЦИИ И СКИДКИ УСЛОВИЯ ПОКУПКИ О КОМПАНИИ КЛУБ ПРИВИЛЕГИЙ +7 (495) 106-46-07 Войти

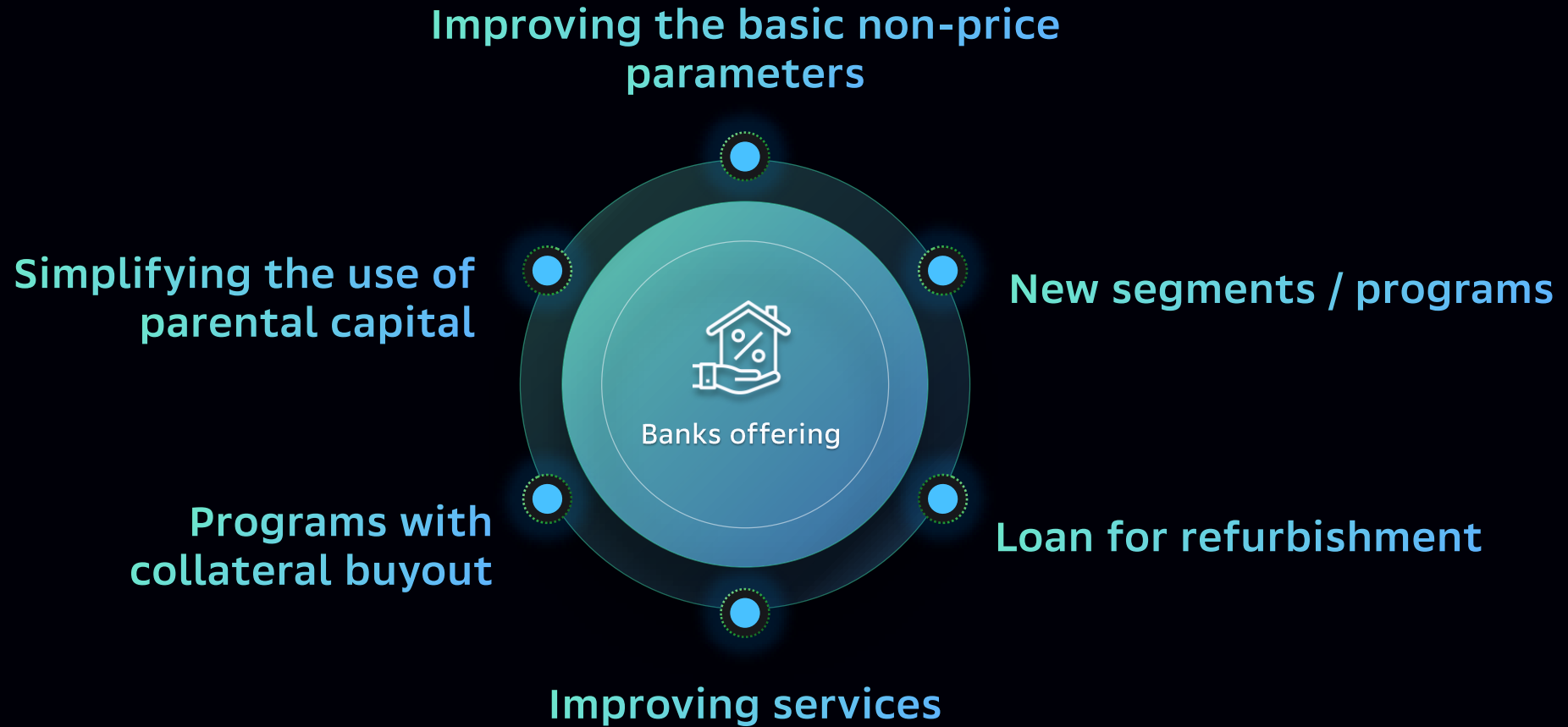
Ипотека на всю сумму

4,69%

НА ВСЕ СРОК

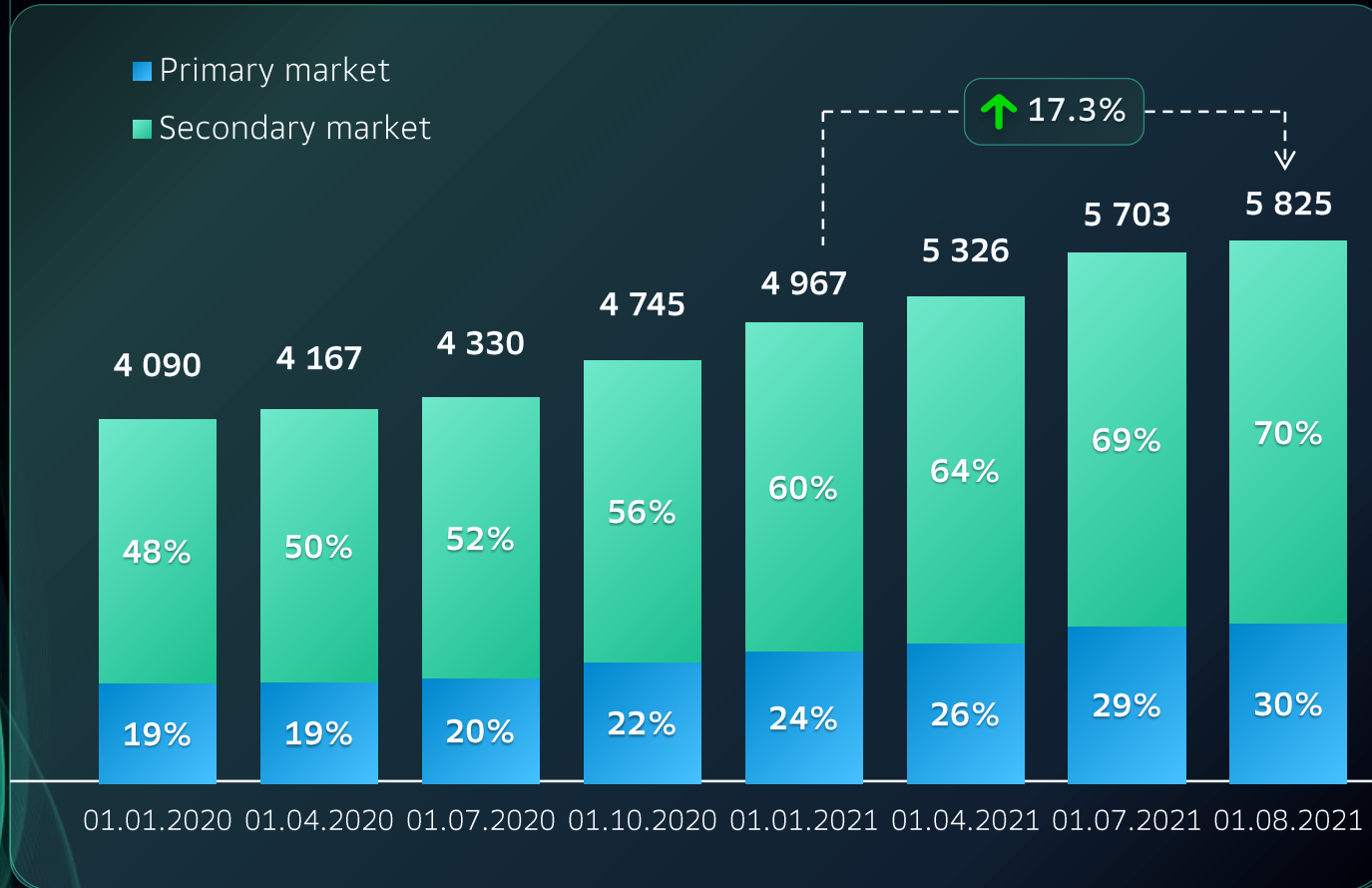


...while banks are expanding non-price offers



Sber mortgage portfolio increased by 17% from the beginning of 2021

Sber mortgage portfolio, RUB bn



Largest banks on mortgage market, market share

8M 2021

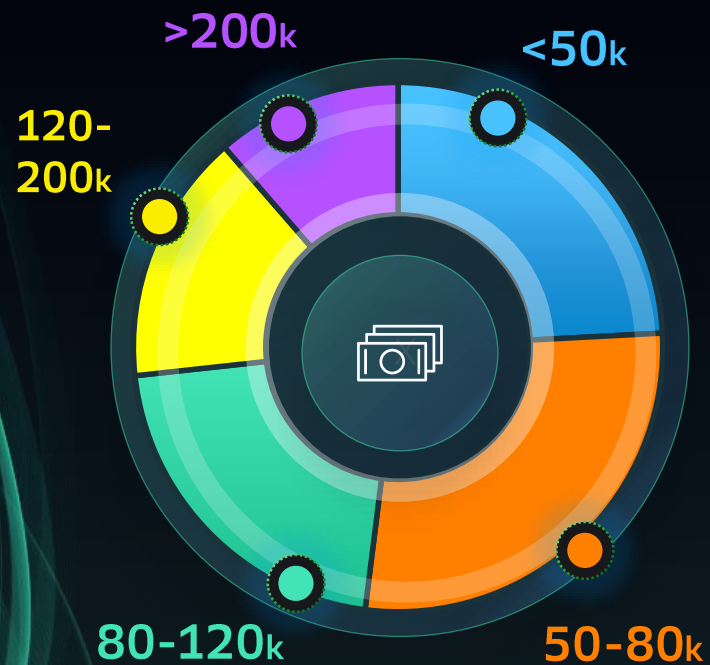
SberBank	52.7%
VTB	21.1%
Gazprombank	3.8%
Rosselkhozbank	3.6%
Alpha-bank	3.2%
FK Otkritie	2.8%
Rosbank	2.7%
Bank DOM.RF	2.1%
Raiffeisenbank	1.5%

Sber mortgage client profile

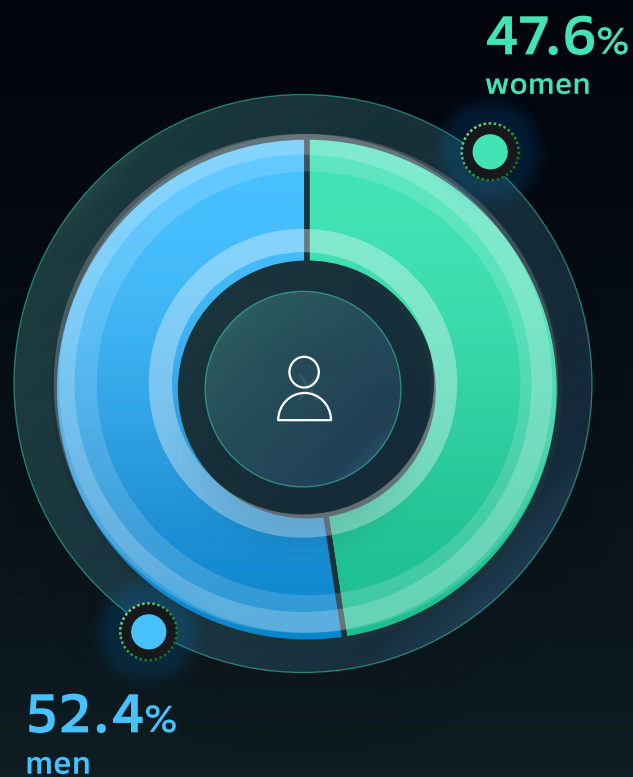


4 mn CLIENTS WITH MORTGAGE

BY INCOME



BY GENDER



BY AGE





Risk Management

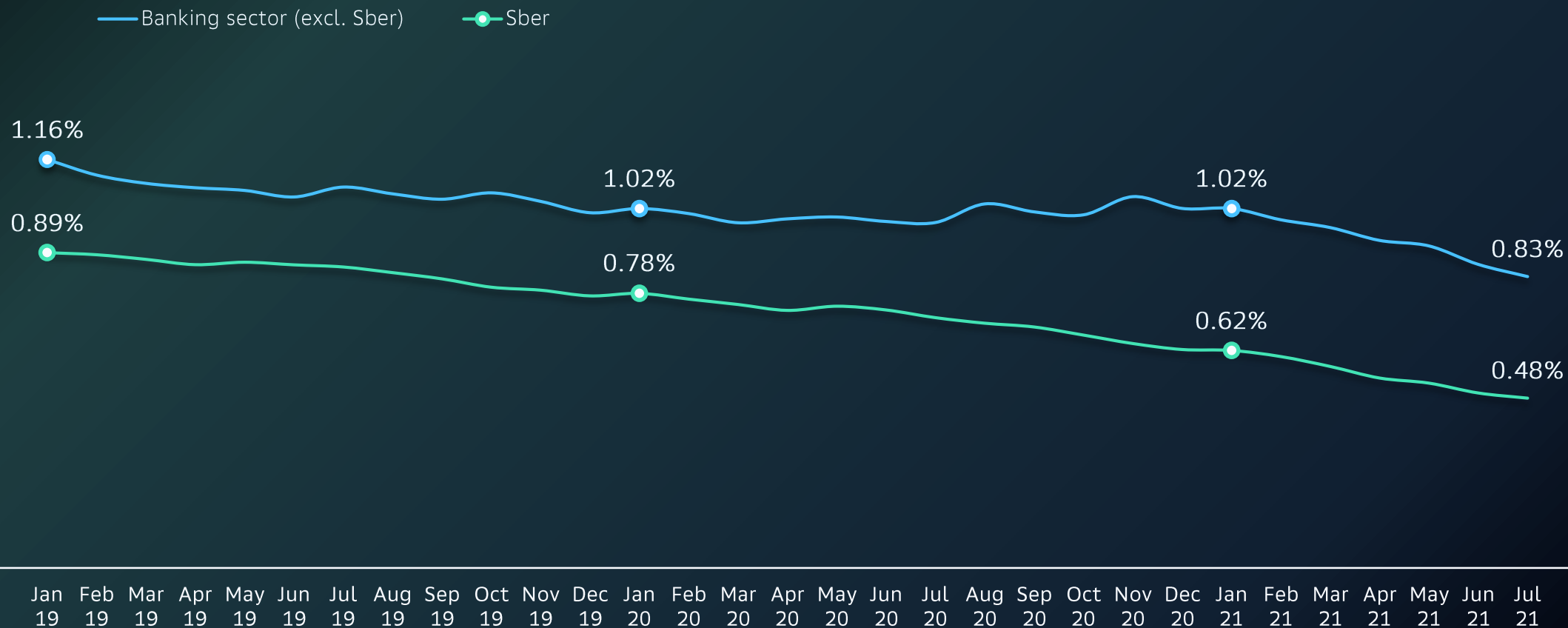


Dzhangir Dzhangirov

Senior Vice-President, CRO

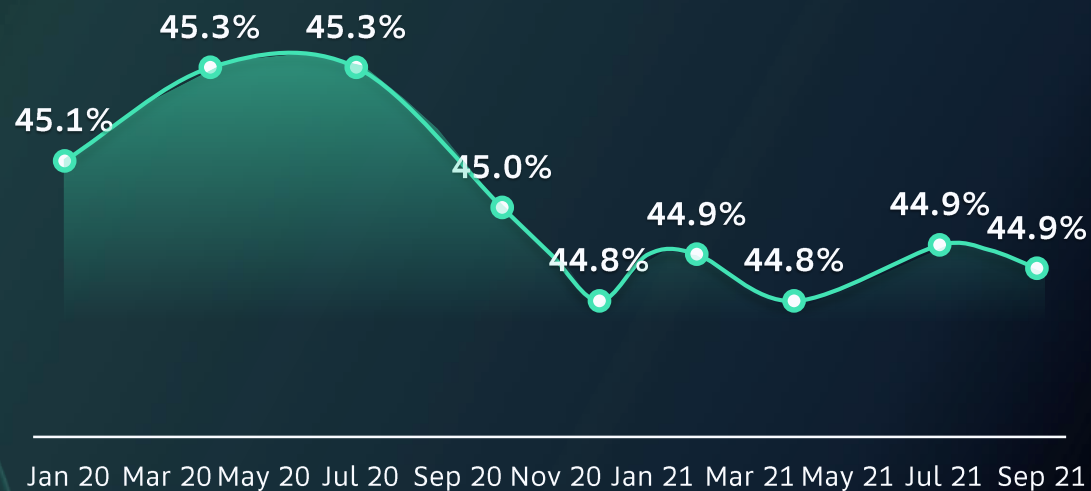
Asset quality of Sber mortgage portfolio is better than the banking system

Share of overdues in the mortgage portfolio, 1 Day+

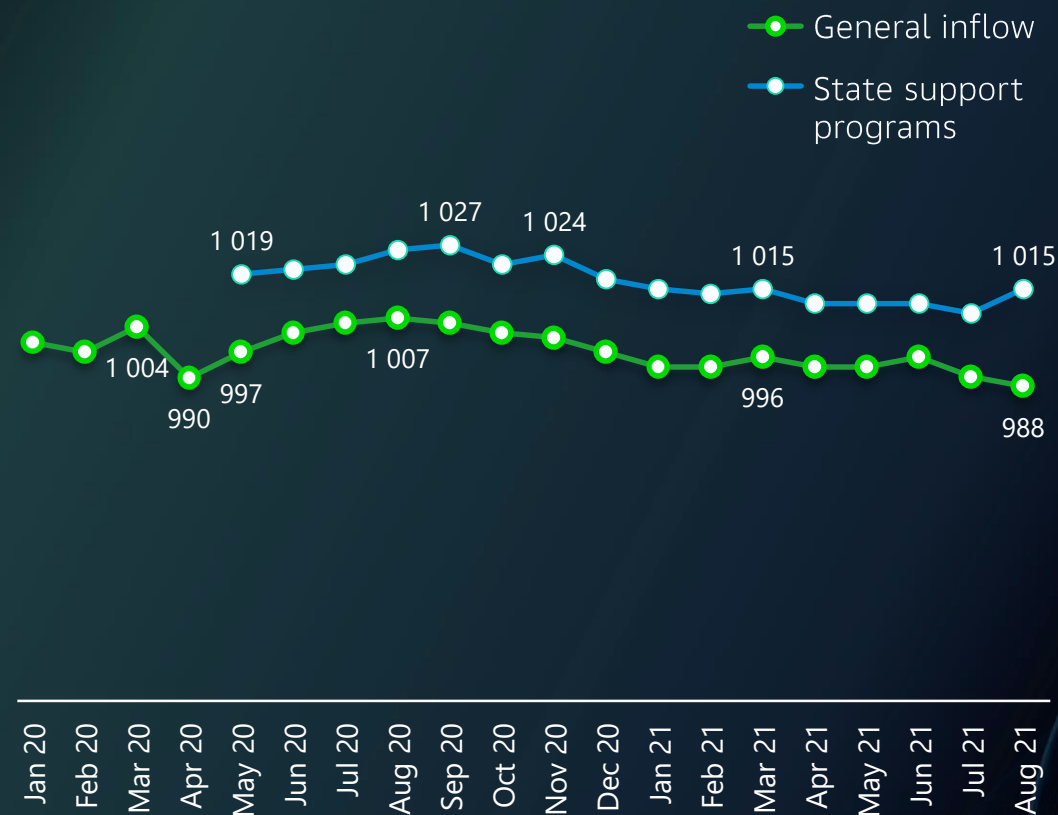


The level of client indebtedness in the mortgage portfolio came down slightly since the beginning of 2020. Asset quality of the new applications is stable

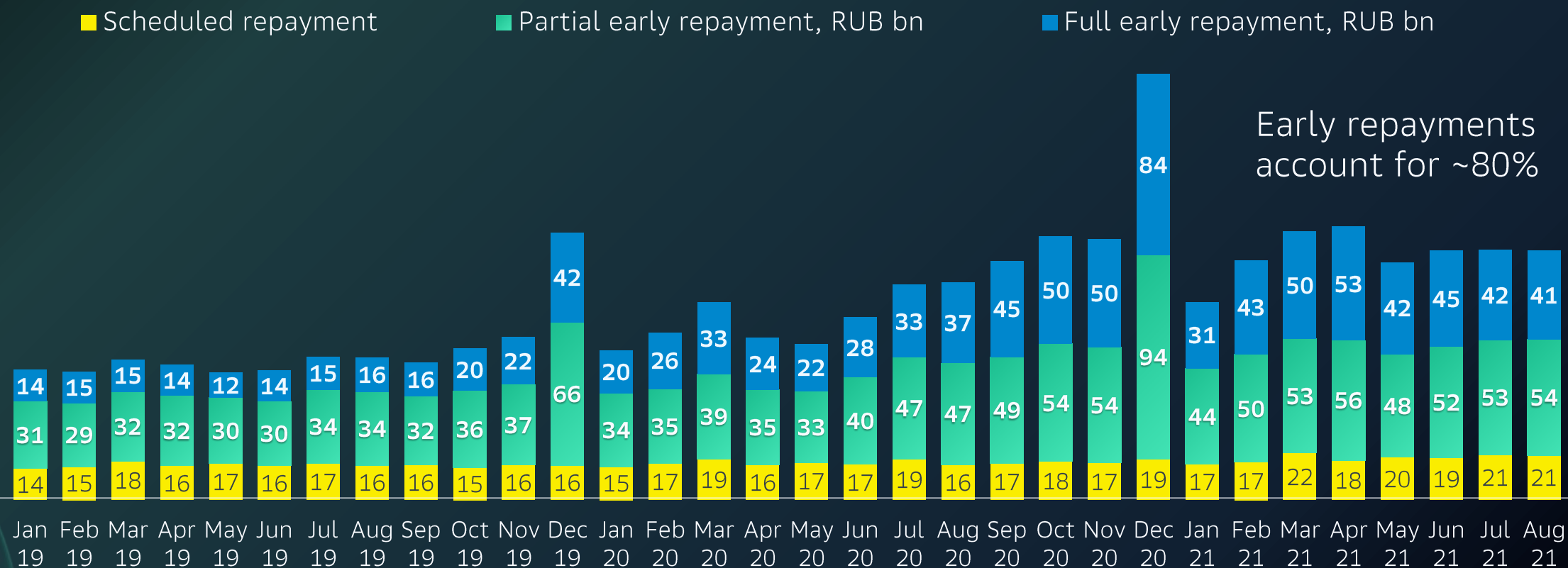
PTI of the mortgage portfolio,
(SberBank methodology)



Scoring level of incoming applications
1000 = Jan. 2020 score (the higher the better)

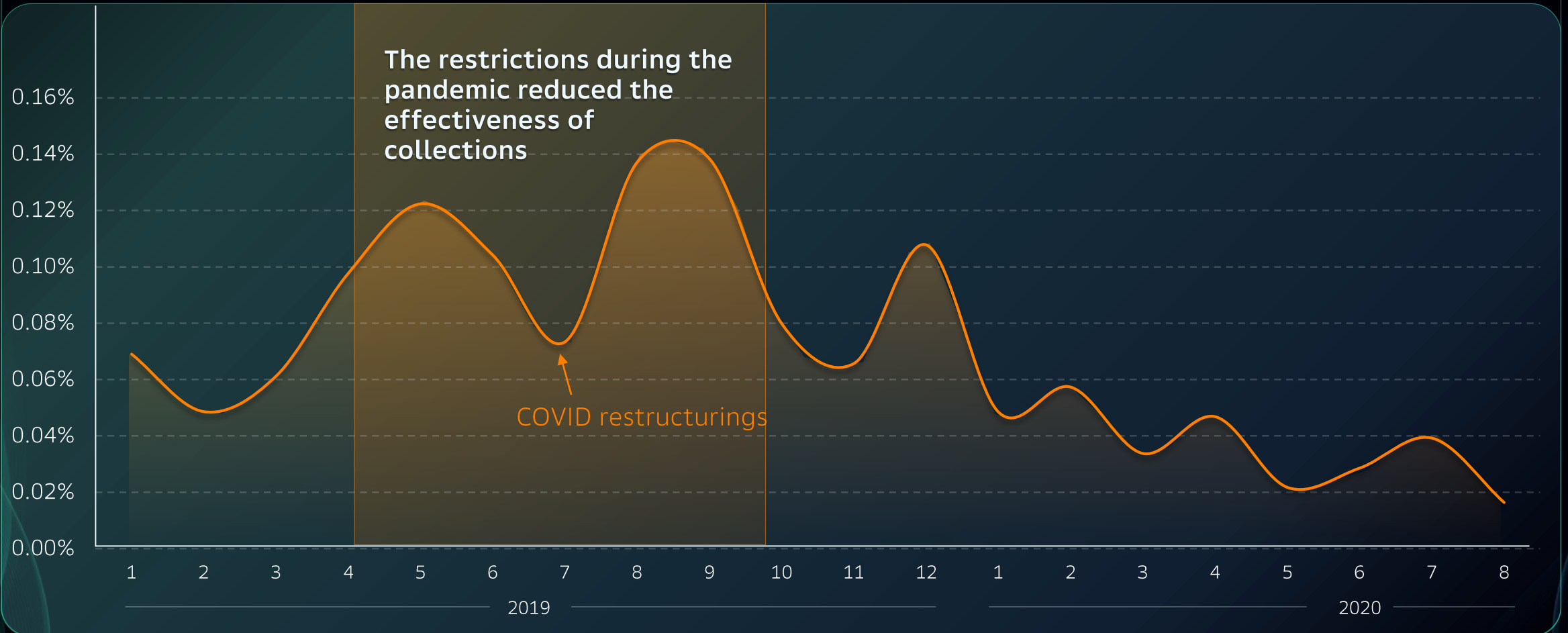


Clients tend to repay mortgages before the contractual term date. The level of early repayments came down insignificantly during the crisis



New vintages demonstrate improving dynamics in the asset quality

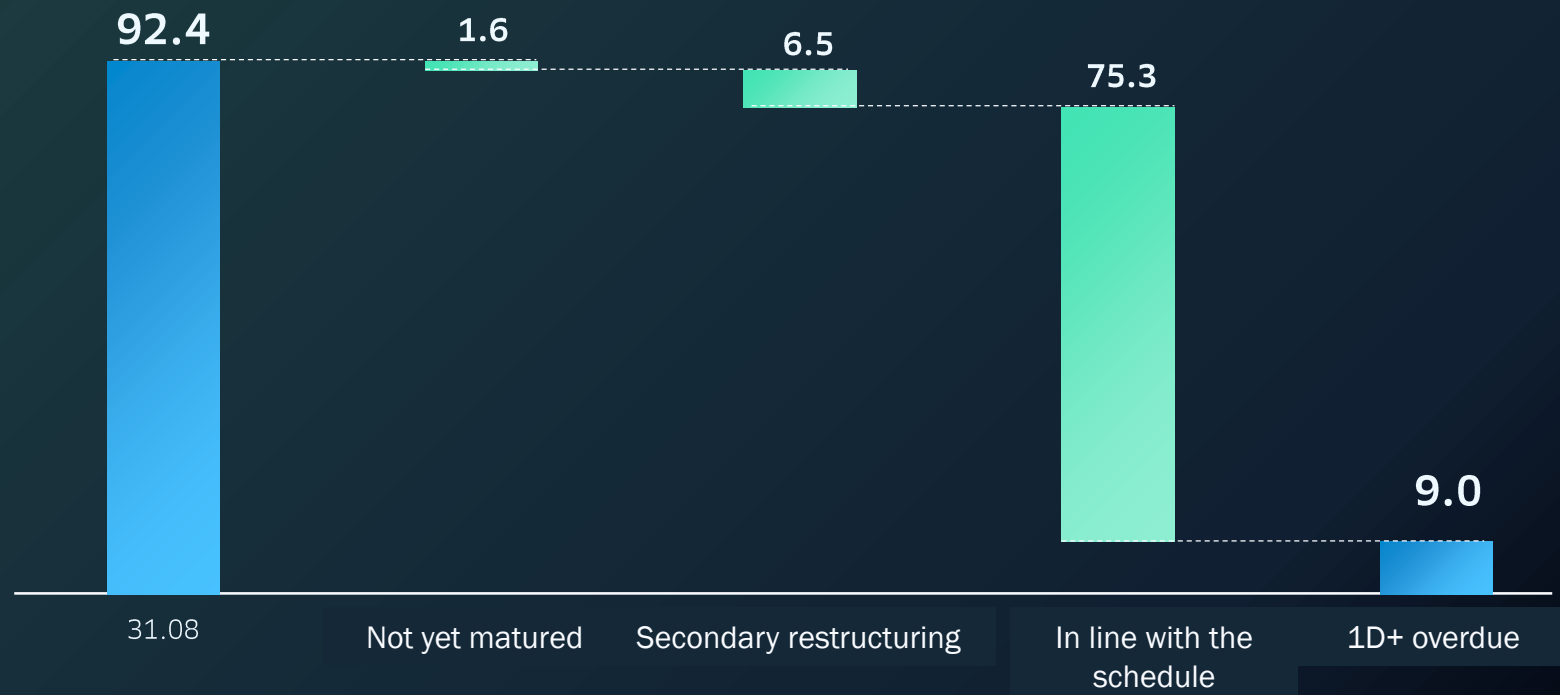
Share of NPL90+ in the 12th month post mortgage issuance,
NPL90+@12mo



81% of mortgage COVID restructurings are serviced without overdues and secondary restructurings

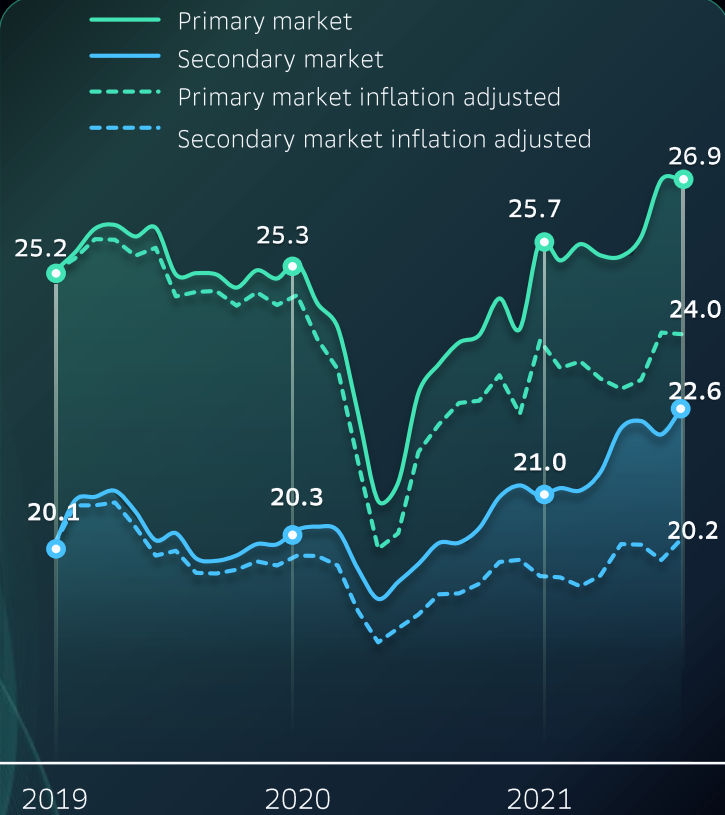
2020 Restructurings, as of 01.09.2021, RUB bn

Total amount of
COVID-related
restructurings was
RUB 117 bn

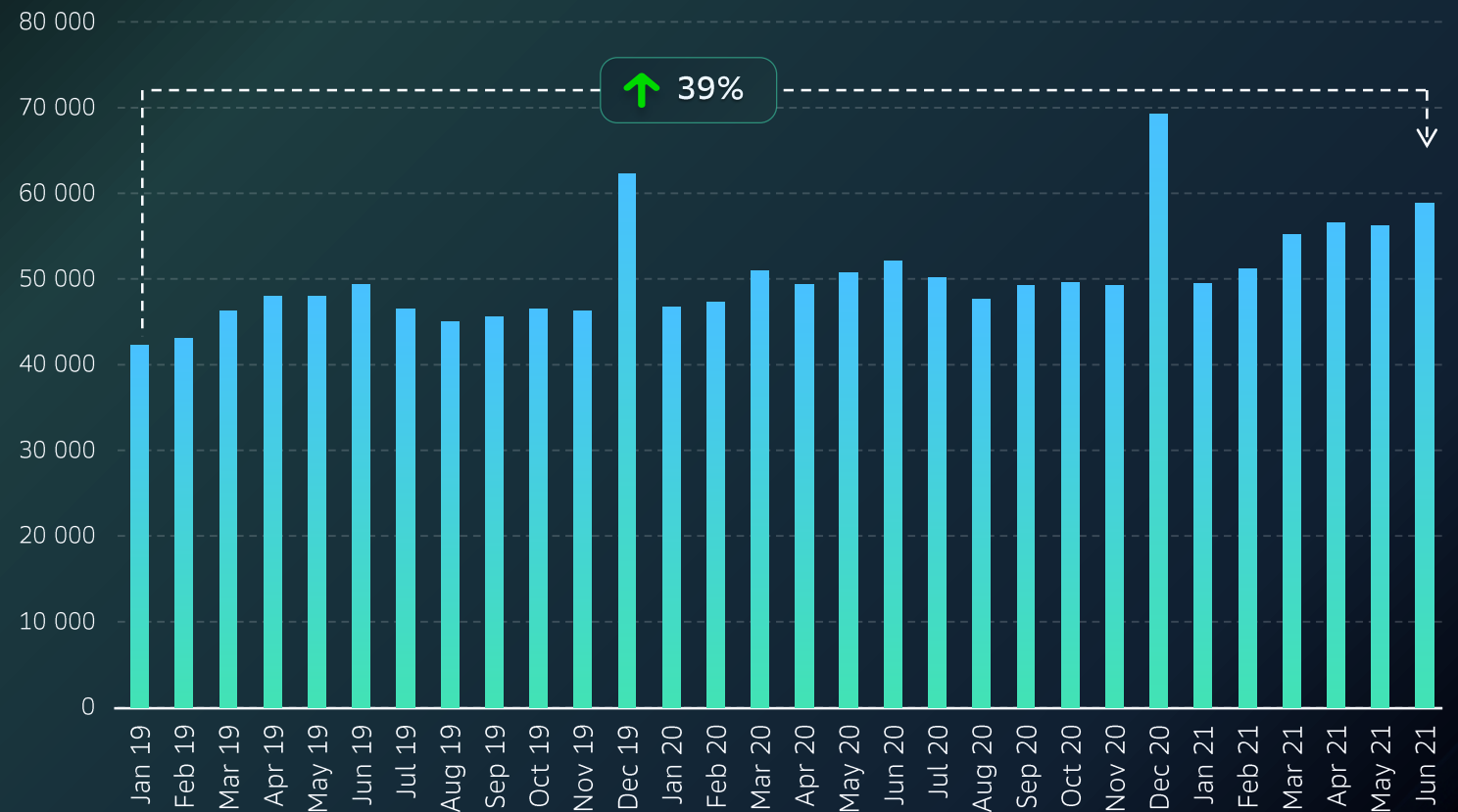


The average amount of monthly payment changed insignificantly, while average salaries growth demonstrates positive dynamics

Average amount of monthly mortgage payment in issuances, RUB ths

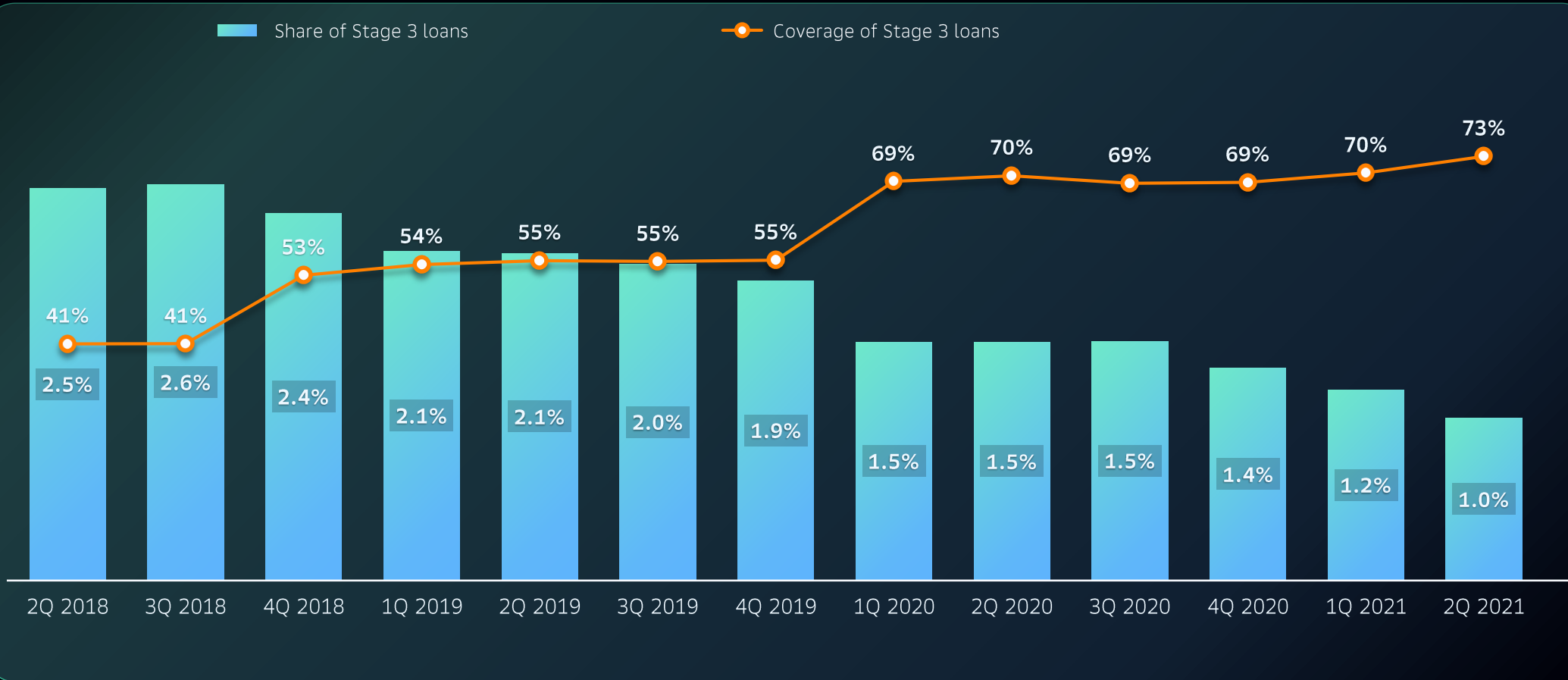


Average nominal salary in Russia, RUB



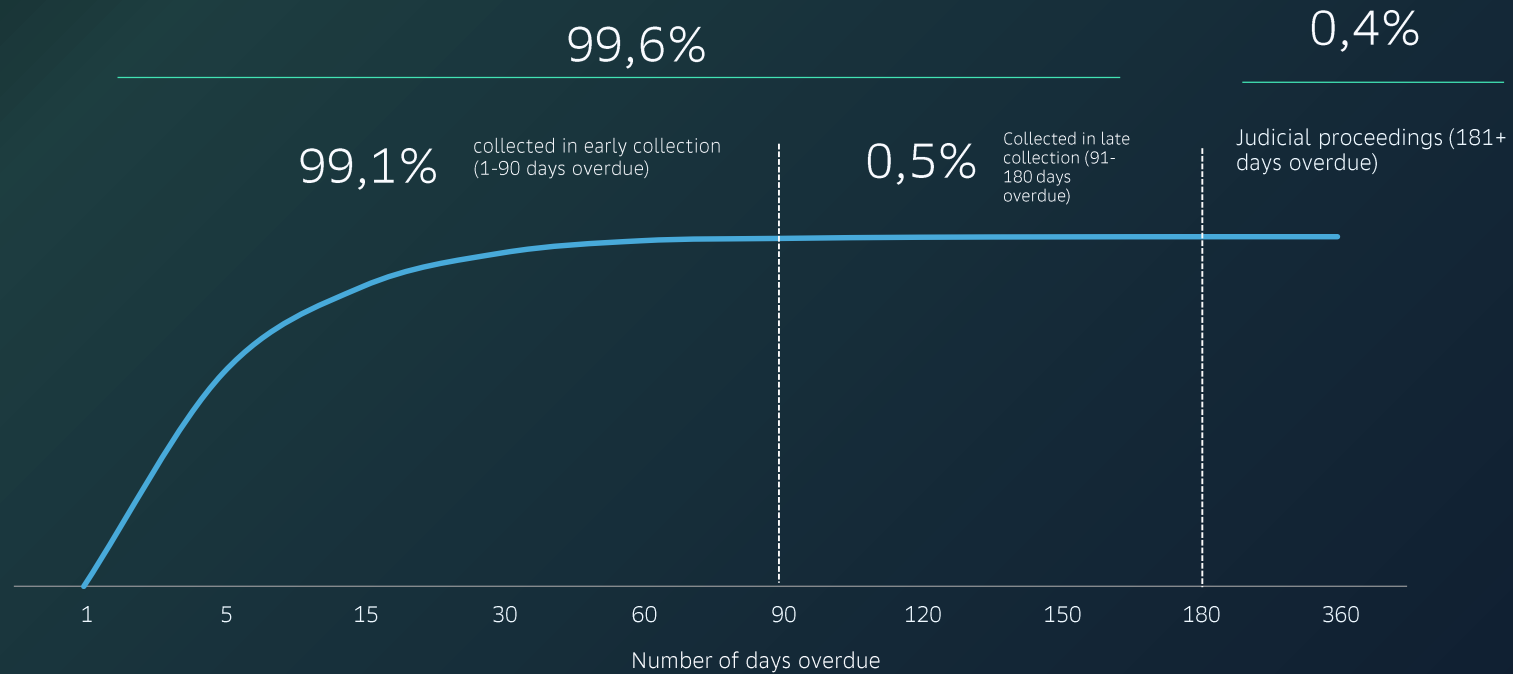
Provision coverage of problem loans remains at comfortable level

Share of Stage 3 loans and their coverage



Mortgages prove to have high foreclosure rate

Collection success rate by vintage



Mortgage RWA density remains at 40% level

Mortgage RWA density



Level of client indebtedness, %

Add-on, pp LTV (80;85]	Нет ПДН	(0; 30]	(30; 40]	(40; 50]	(50; 60]	(60; 70]	(70; 80]	80+
Current macro add-on from 01.08	70	50	50	50	70	80	90	100
Add-ons before 01.08	50	20	30	40	50	60	70	80

100%

of loans issued with “0 lines in application”



96%

automated decisions



Time to decision
2 min 2 sec



Domclick

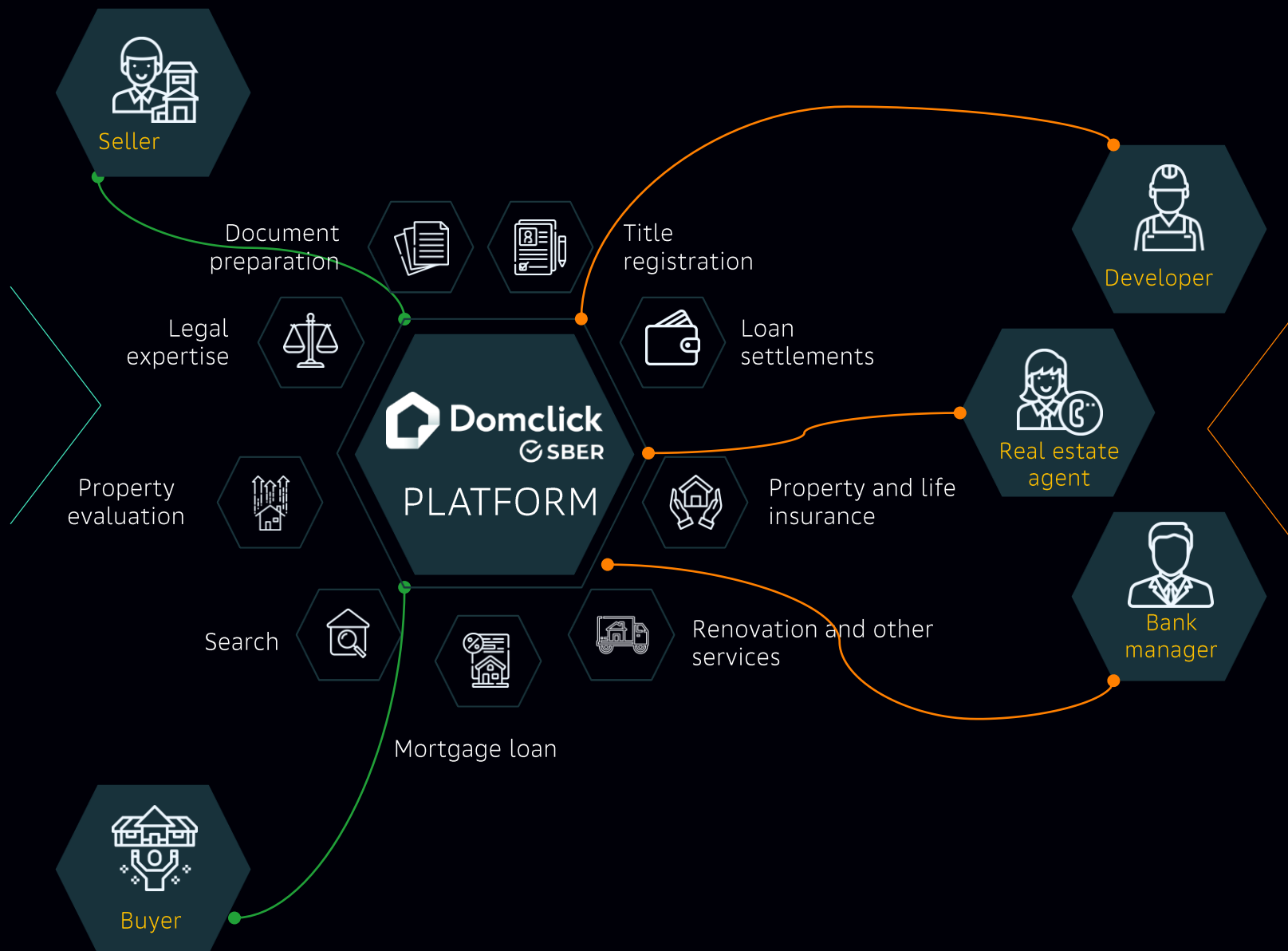


Nikolay Vasev

*Vice-President,
Head of Domclick*



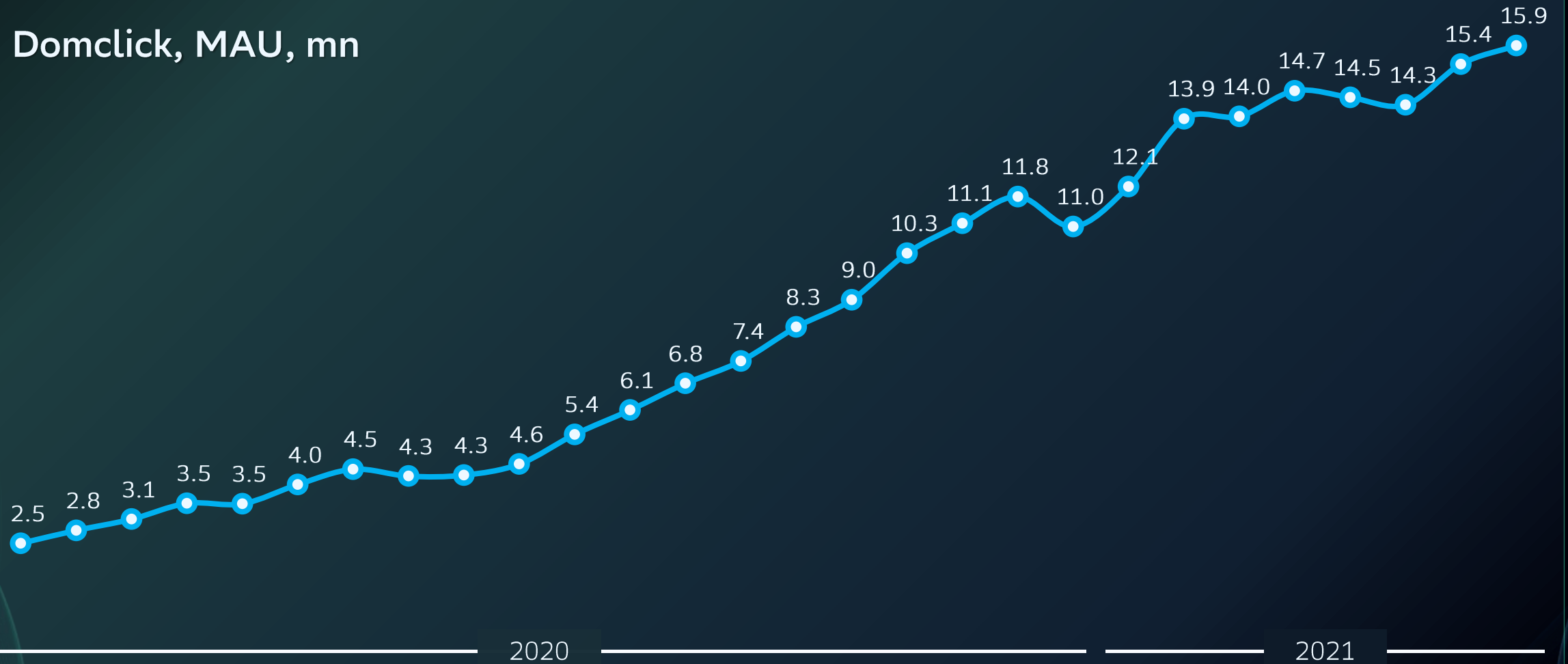
Real estate buy
and sell platform



Platform for real
estate professionals

4-fold increase in the number of user over the last year

Domclick, MAU, mn



Key achievements of Domclick over the past 3 years

Brand recognition, %

7 → 29

↑ x4

Number of listings, mln

1 → 1.8

↑ x1.8

Number of successful calls
on the platform, mln

0.75 → 7

↑ x9

Search
domclick.ru/search



**Transaction
closing**

Search
domclick.ru/search

Mortgage value calculator
ipoteka.domclick.ru/mortgage/calc

**Structuring
the transaction**
Deal factory

**Loan
issuance**

Mortgage service
lks.domclick.ru

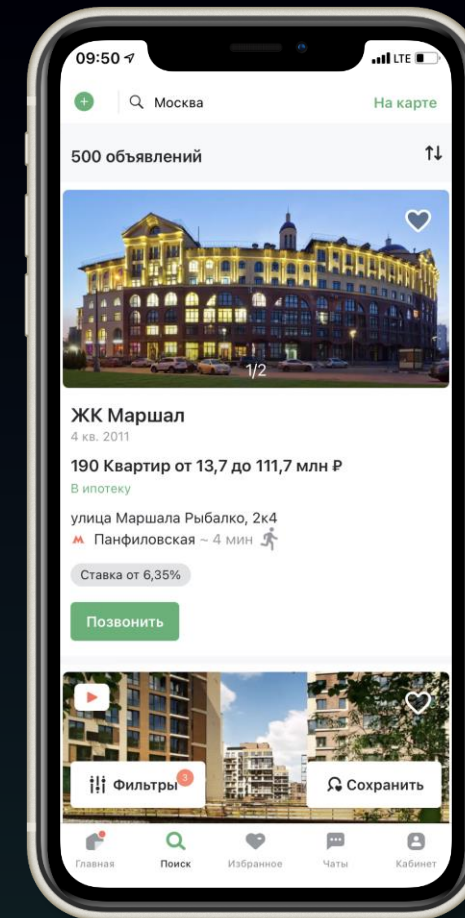
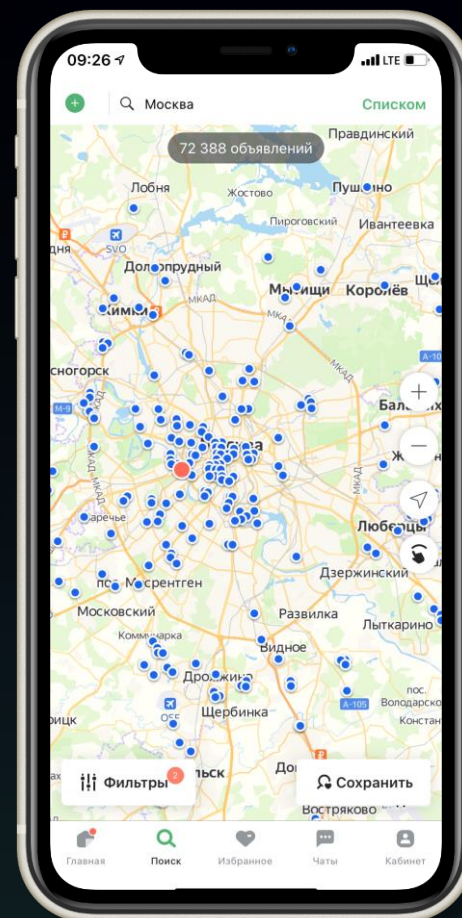
**Transaction
closing**

BUY

SELL

Search

domclick.ru/search

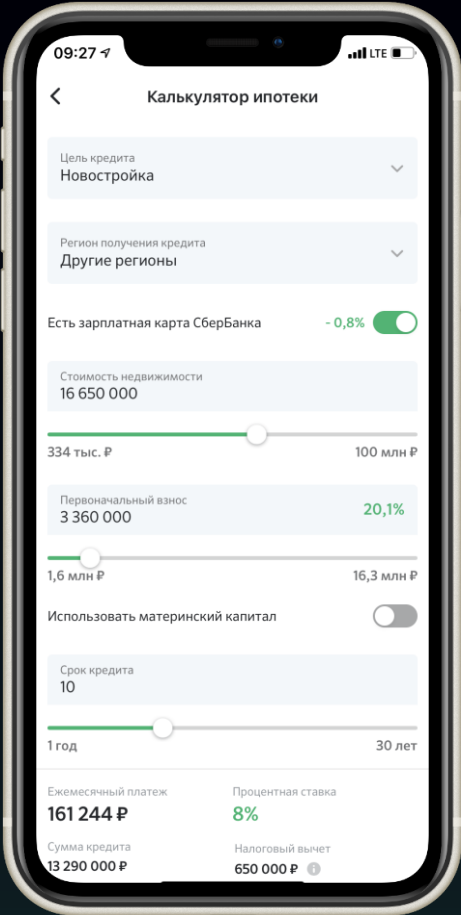


BUY

SELL

Mortgage value calculator

ipoteka.domclick.ru/mortgage/calc



09:27 4 LTE

Калькулятор ипотеки

Цель кредита
Новостройка

Регион получения кредита
Другие регионы

Есть зарплатная карта Сбербанка - 0,8% ☒

Стоимость недвижимости
16 650 000

334 тыс. Р 100 млн Р

Первоначальный взнос 20,1%
3 360 000

1,6 млн Р 16,3 млн Р

Использовать материнский капитал ☐

Срок кредита
10

1 год 30 лет

Ежемесячный платеж 161 244 Р

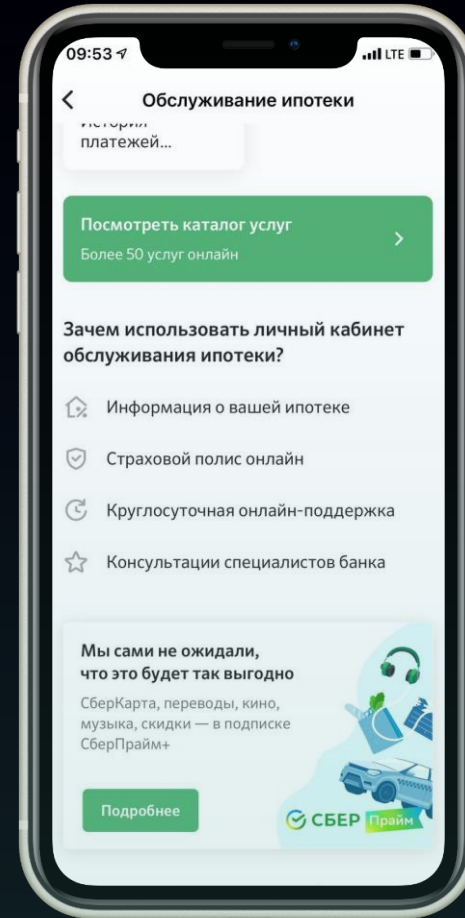
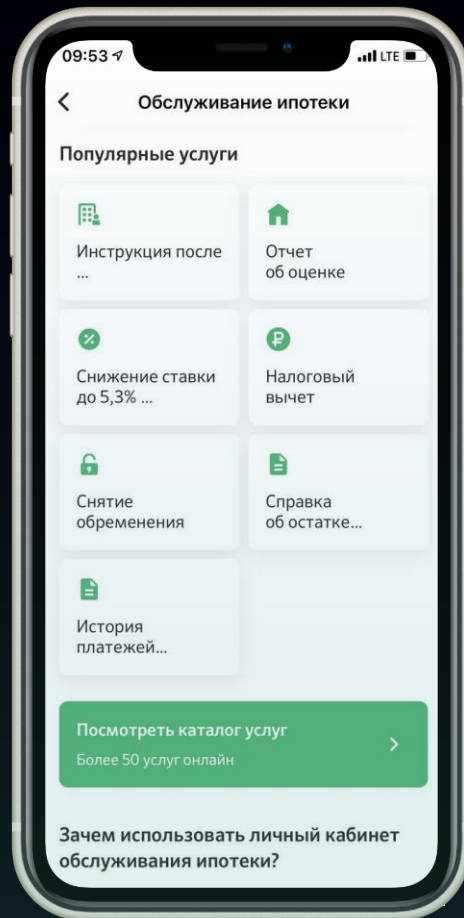
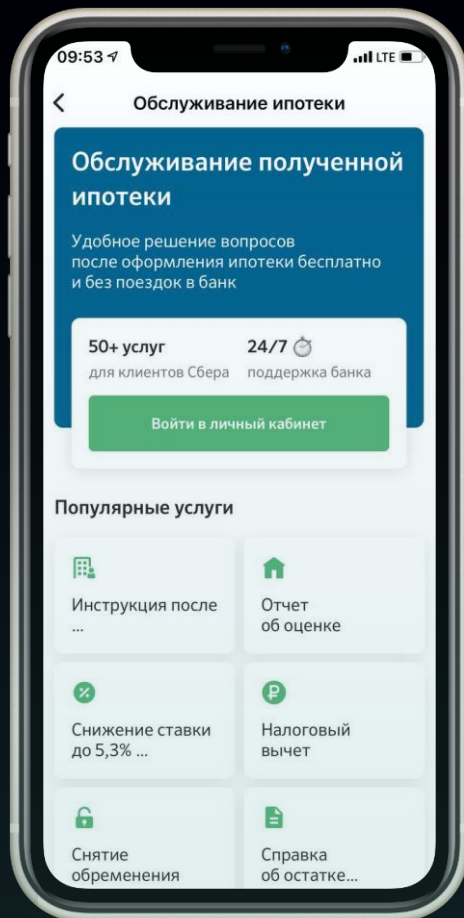
Процентная ставка 8%

Сумма кредита 13 290 000 Р

Налоговый вычет 650 000 Р

Mortgage service

lks.domclick.ru



The real estate ecosystem in Russia extends beyond mortgages

13.4 trillion (RUB), real estate market growth per year



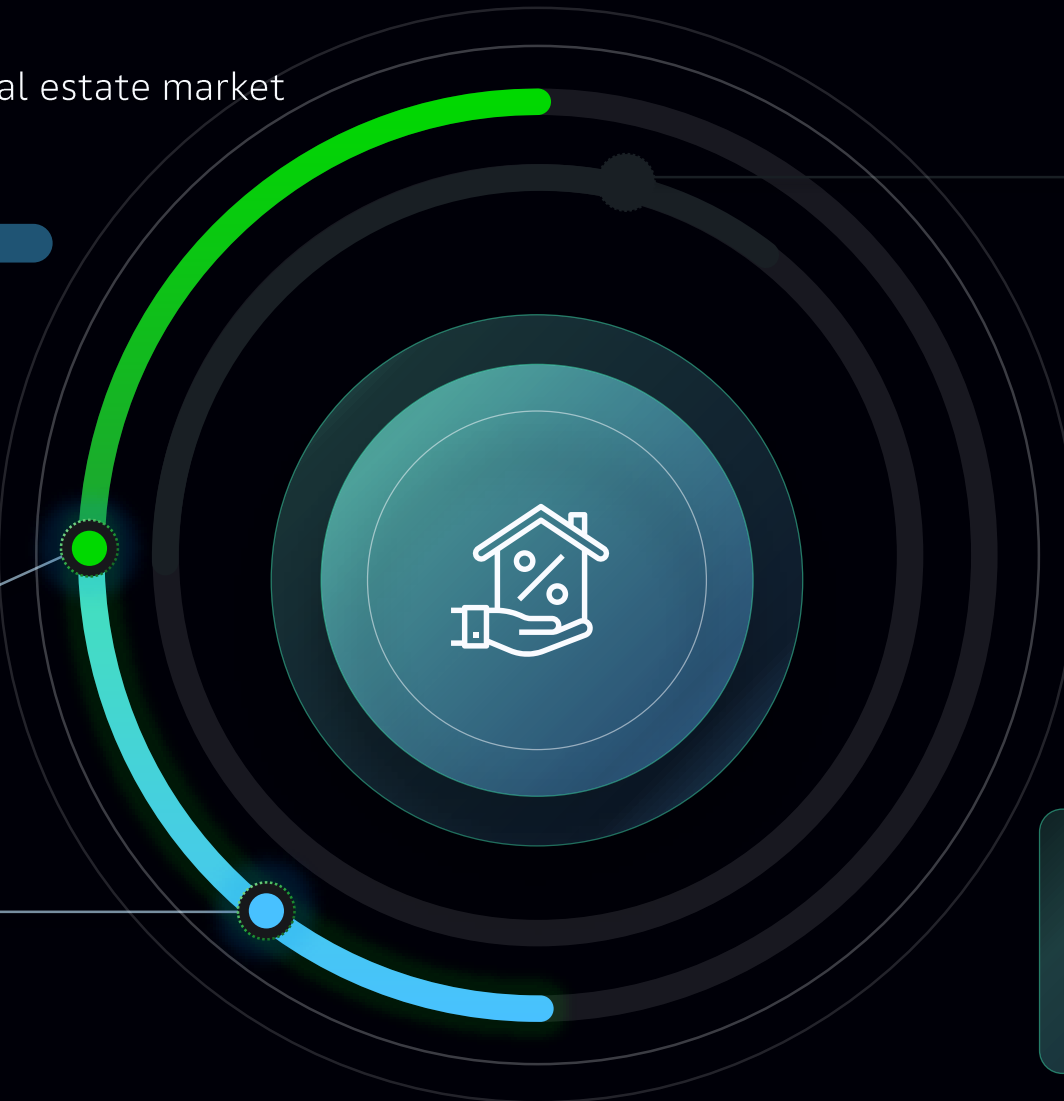
6.7 trillion (RUB), mortgage market growth per year (originations)

50%
SberBank's share in mortgage market

50%
other banks' share in mortgage market

12-13
Transactions at SberBank branches

50% real estate transactions without mortgages



The real estate ecosystem in Russia extends beyond mortgages

13.4 trillion (RUB), real estate market growth per year



6.7 trillion (RUB), mortgage market growth per year (originations)

50%

SberBank's share in mortgage market

50%

other banks' share in mortgage market

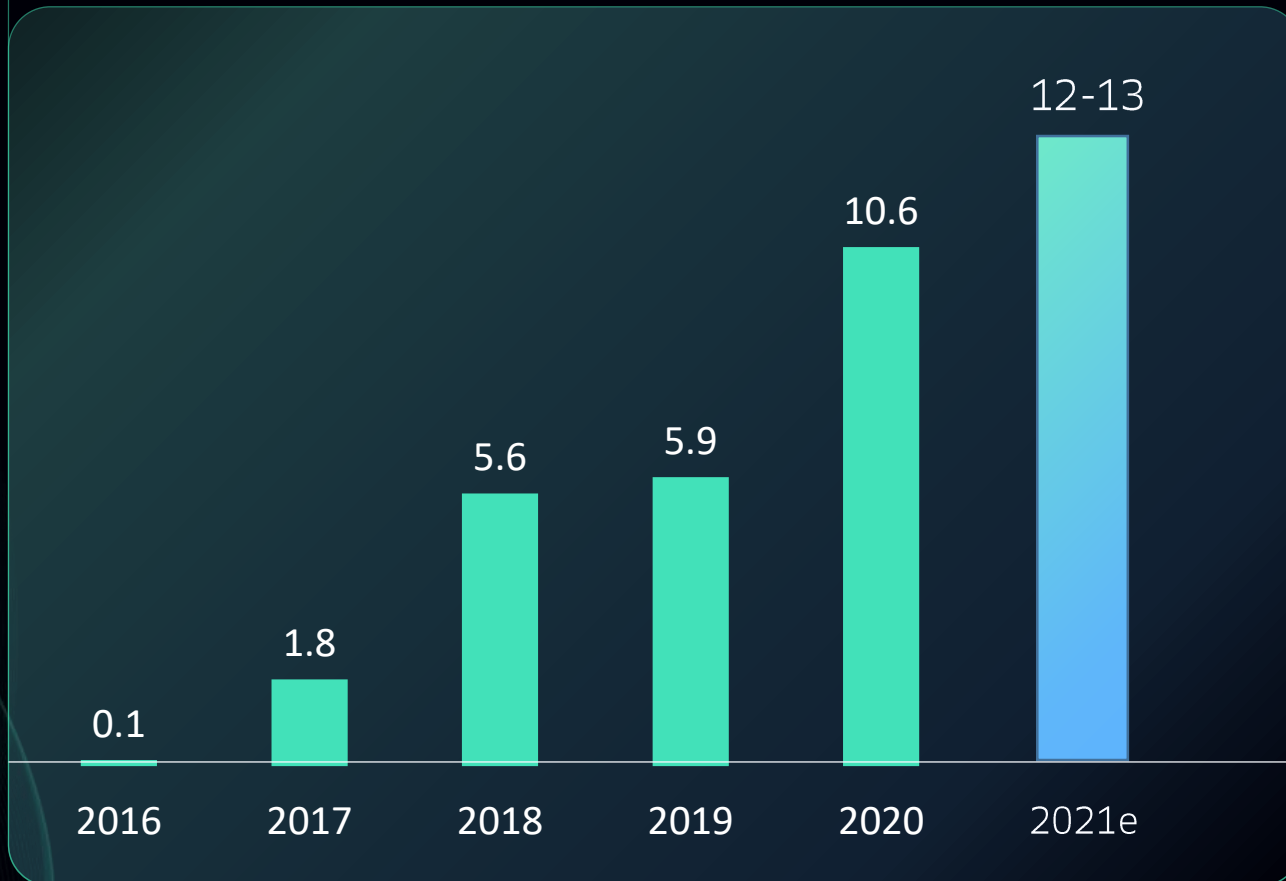


12-13 billion (RUB), revenue

Non-banking revenue of Domclick

Ecosystem of complementary services contributes to the revenue growth

Domclick revenue, RUB bn



Key services at Domclick



Secure payments



Электронная регистрация



Legal expertise



Property valuation



Classified revenue



01

Sber`s share on
mortgage market,
50%+



01

Sber`s share on
mortgage market,
50%+

02

Mortgage portfolio
growth rate
CAGR 2021-2023
15%+

2023 targets

01

Sber`s share on
mortgage market,
50%+

02

Mortgage portfolio
growth rate
CAGR 2021-2023
15%+

03

Share of non-mortgage
deals growing
x2, up to 20%+



2023 targets

01

Sber`s share on
mortgage market,
50%+

02

Mortgage portfolio
growth rate
CAGR 2021-2023
15%+

03

Share of non-mortgage
deals growing
x2, up to 20%+

04

Domclick MAU
22 million
by 2023



Q&A