

*MORTGAGE FINANCE SYSTEM AND THE ROLE OF THE GOVERNMENT IN TURKEY*

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Abstract

Mortgage residence financing system will be put into practice in Turkey in 2006. It is expected that this system will provide the Turkey's both financial markets and social structure more advantages. By means of this system, large sum of fund will flow to financial markets, cost of funding will be cheaper, the stage of social welfare will rise etc. Application of this system at Turkey consists of the mixture of the other countries' applications. In this study, generally, it is argued that what is the role of the government in this system? We will conclude that government intervention may decrease the advantage of mortgage system.