



Housing Yearbook for Latin America and the Caribbean

2025

**Housing Yearbook for Latin America and the Caribbean
Second Edition, 2025**

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Housing Yearbook for Latin America and the Caribbean

2025







A message from CAF

Access to adequate housing remains one of the most critical frontiers for development and equity in Latin America and the Caribbean. Housing is not merely a roof over one's head: it is a gateway—or a barrier—to economic, social, and environmental opportunities that are transmitted across generations. As highlighted in 2022 edition of CAF's Report on Economic Development (RED), *Inherited Inequalities*, advancing decisively in access to adequate housing is one of the most powerful levers for reducing structural inequalities. Resolving the housing deficit is not simply a sectoral goal; it is an imperative of intergenerational equity and a critical step toward building a more cohesive, prosperous, and inclusive region.

In this context of profound urban transformations, CAF reaffirms its commitment to supporting countries across the region in the development of sustainable solutions that integrate housing, territory, and well-being. Promoting evidence-based policies is an essential condition for advancing toward more inclusive and resilient cities.

For this reason, the second edition of the Housing Yearbook continues an effort we consider vital to strengthening housing policies in the region. Consolidating this instrument and ensuring its long-term continuity is key to building a comparative knowledge base that enables countries to assess progress, identify challenges, and design higher-impact strategies. Through rigorous and up-to-date information, the Yearbook offers an in-depth view of housing conditions and, in particular, of the challenges posed by urban informality—one of the most persistent expressions of territorial inequality.

For CAF, this effort goes beyond data collection: it is about strengthening the capacity of governments, markets, and communities to design policies that connect knowledge with action. From innovative financing instruments to technical cooperation programs, we seek to ensure that each finding of the Yearbook translates into decisions that expand opportunities for adequate housing and local development.

The partnership with the Lincoln Institute of Land Policy is a concrete example of how collaborative work between institutions can amplify the impact of knowledge in the region. Together, we continue to build a shared foundation of information and learning that serves as a platform for public policies that are more just, sustainable, and oriented toward people's well-being.

Sergio Díaz-Granados

Executive President

CAF -Development Bank of Latin America and the Caribbean-

A message from the Lincoln Institute of Land Policy

The Lincoln Institute of Land Policy is pleased to present, together with CAF -Development Bank of Latin America and the Caribbean, the second edition of the Housing Yearbook for Latin America and the Caribbean (2025). This effort reaffirms both institutions' commitment to strengthening the statistical and analytical foundations of the housing sector in the region by providing comparable and up-to-date information to inform public policy and foster more equitable, sustainable, and inclusive cities.

The 2025 Yearbook consolidates and expands the effort launched in the first edition, which was launched at the MINURVI Assembly in 2024. This new edition incorporates Barbados, Honduras, and Paraguay, bringing the total to 15 countries with comparable statistical profiles. This expansion enriches the regional database and strengthens its value as a tool for analysis and decision-making. In addition, the Yearbook's digital platform has been enhanced, incorporating technological improvements that facilitate access, downloading, and visualization of indicators, with full transparency and open access to the sources and methodologies used.

The key theme of this edition addresses one of Latin America's most persistent urban challenges: informal housing and its relationship to land-use policies and urban planning. Housing informality reflects deep tensions between the supply of serviced land, restrictive regulatory frameworks, and the institutional capacity of local governments. Examining its structural causes and innovative responses across countries enables progress toward more comprehensive strategies for land management, flexible planning, and affordable access to housing.

We renew our commitment to promoting knowledge on land value and its role in urban equity. As part of this endeavor, the Yearbook seeks to consolidate its position as a reference tool for governments, researchers, and market actors working to provide adequate housing and greater social integration in Latin American cities. The data and analyses presented here not only enhance understanding of the region's housing conditions but also help identify opportunities for urban transformation that integrate land, housing, and inclusion within a shared development agenda.

George W. McCarthy
President and Executive Director
Lincoln Institute of Land Policy

Presentation of the 2025 Yearbook

It is a privilege for all those involved in its preparation to present this second edition of the Housing Yearbook of Latin America and the Caribbean. The continuity of the Yearbook reflects the commitment of CAF and the Lincoln Institute of Land Policy to provide the region's housing sector with consistent and up-to-date data and analysis, contributing to efforts to reduce the housing deficit and promote the sustainable development of affordable housing.

Between the first edition—launched in December last year at the MINURVI Assembly in Belém, Brazil—and this edition, many lessons have been learned and significant improvements introduced. Significant technological improvements have strengthened the reliability of data collection and systematization, as well as provided users with more and better query tools. Users can now not only filter variables more easily, but also access sources and explanatory and methodological notes, ensuring full transparency. The Yearbook's web application, which provides open access to database query tools and graph generation, is available at: <https://anuarioviviendalac.com/>

In addition, as part of an ongoing effort to expand the range of country profiles included in the Yearbook, this edition adds three new countries—Barbados, Honduras, and Paraguay—to the 12 included in the first edition (Argentina, Brazil, Chile, Colombia, Costa Rica, El Salvador, Ecuador, Mexico, Panama, Peru, the Dominican Republic, and Uruguay), bringing the total to 15 countries.

The set of variables and indicators remains unchanged: 261 indicators covering 13 dimensions—macro (economy and demography), housing market, financing system, funding, household mortgage credit, production credit, housing micro-finance, subsidies and affordability, informality, land markets, fiscal issues, gender and racial inclusion, and sustainability. In addition to this extensive set of variables, all of which are available for download, the publication includes analytical reports on the housing sector for each of the 15 countries, as well as regional analyses, reflections on key challenges and opportunities, and case studies.

In this way, the Yearbook continues to position itself as a broad and reliable source of information and a reference tool for governments and private-sector stakeholders seeking to better understand—and act more effectively within—the housing sector in the region.

As in the first edition, the compiled and presented data refer to the previous year—2024— and may refer to data from up to three years prior when information for the reference year is unavailable, as is often the case with census or survey data. These instances are clearly identified with the specific date in the note linked to each data point, for the user's reference. Monetary figures are always presented in U.S. dollars for comparability purposes, and a table of exchange rates is included to allow for conversion to local currencies. Missing data are marked as N/F (not found), and non-applicable data—either because the issue addressed by the variable does not exist or depends on another non-existent variable—are marked as N/A.

Although the data collection process continues to face challenges, given that some of the desired variables are not yet consolidated or available across countries, significant progress has already been observed. Average data coverage has increased to 84% of total variables for the initial 12 countries and to 63% for the three newly added countries. This underscores the ongoing need—identified since the Yearbook’s inception—to continue encouraging the production and availability of housing-sector statistics.

The methodological framework defining each variable seeks not only to ensure that the data presented are fully understood by users, but also to guarantee a harmonized data collection process that enables cross-country comparability. As noted in the previous edition, for a substantial portion of the variables, this conceptual framework is already aligned with the global HOFINET-EMF database. Nonetheless, users should take into account the compositional effects of variables when conducting comparative analyses, as these may limit perfectly symmetrical comparisons, in addition to the influence of differences in regulatory and tax frameworks across countries on the results of each variable and/or indicator.

This publication is organized into four sections:

- **Introductory section**, presenting an overview of the housing sector in the region, based on a synthesis of country-level statistics and analyses, and reflecting on informality—the theme highlighted in this edition. To support proper interpretation of the results, this section also includes a set of basic definitions used throughout the publication.
- **Housing market overview**, featuring country reports for each of the 15 countries, with descriptive analyses based on the compiled data.
- **Statistics section**, presenting sectoral tables for all 15 countries.
- **Final section**, offering a forward-looking perspective through reflections on the most significant challenges and opportunities, along with selected case studies.

Finally, we would like to highlight the very positive feedback received to date from users of the database and readers of the first edition. This feedback further encourages us to continue developing and refining this project. In this spirit, we invite all readers to submit comments, critiques, and contributions at any time to: admin@anuarioviviendalac.com



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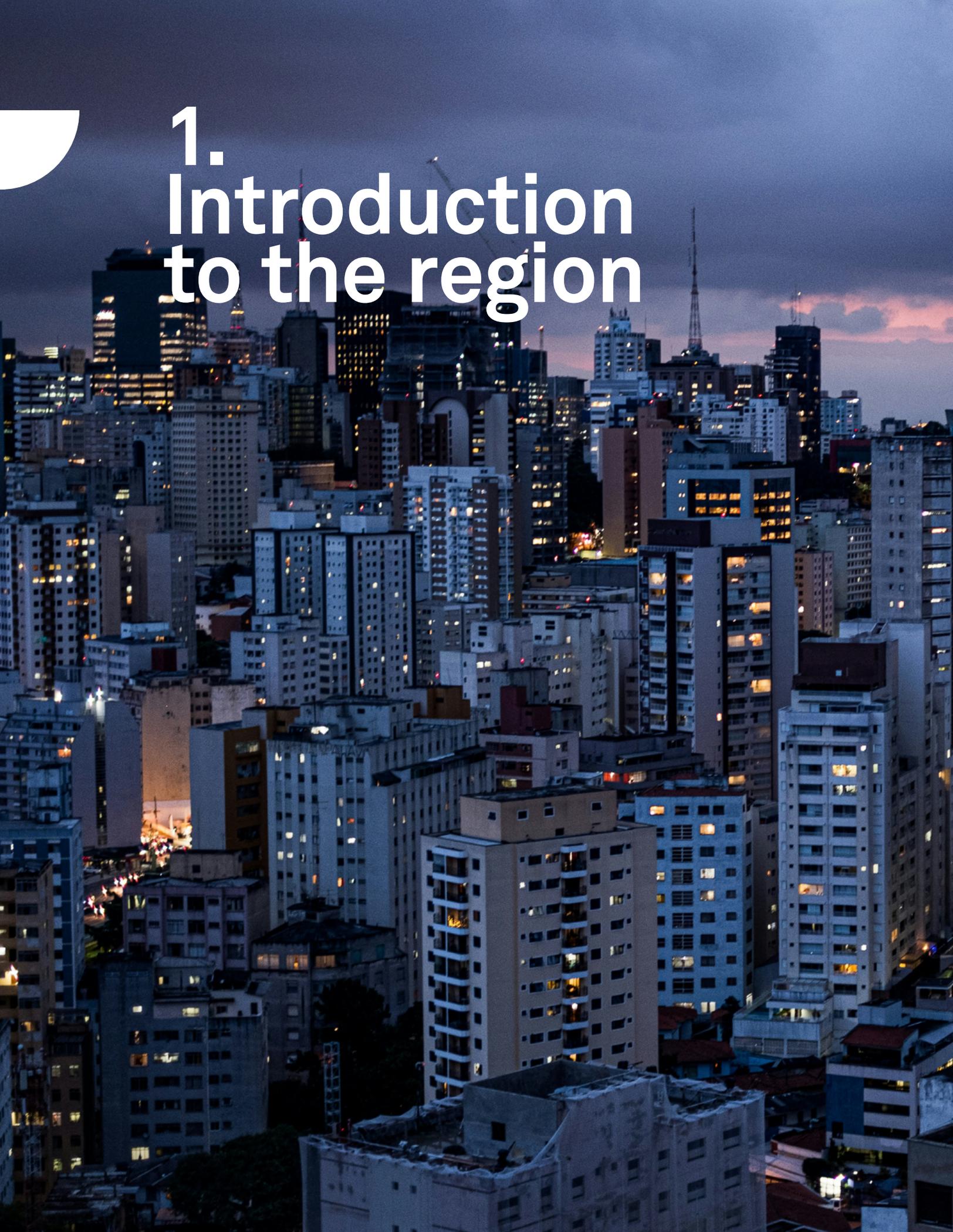
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An aerial night view of a dense city skyline, likely São Paulo, Brazil. The image shows a vast number of high-rise buildings, many of which are illuminated from within, creating a warm glow against the dark blue and purple twilight sky. The buildings are packed closely together, creating a complex, layered urban landscape. In the upper left corner, there is a white semi-circular graphic element. The overall atmosphere is one of a bustling, modern metropolis at dusk.

1. Introduction to the region

Basic definitions adopted

This section aims to ensure consistency and clarity in the use of commonly referenced terms in housing markets, promoting a shared understanding among readers and contributors.

Term	Definition
Informal urban settlements	Urban areas characterized by the presence of precarious housing and infrastructure, often built without official authorization and with limited access to basic services such as potable water, sanitation, electricity, and adequate access roads. These settlements typically originate through irregular land occupation, lack formal property titles, and do not comply with current urban planning regulations. They generally exhibit high population density, inadequate housing conditions, and greater social and environmental vulnerability, which hinders their full integration into the formal city.
Housing affordability	Refers to a set of issues related to households, producers, financiers, and/or government (Hoek-Smit, 2025). These issues include “the distribution of housing prices and quality, the distribution of income, households’ ability to access credit, public policies affecting housing markets, conditions influencing the supply of new or rehabilitated housing, and the decisions people make regarding how much housing to consume relative to other goods” (Quigley and Rafael, 2004). While many types of affordability indices exist—such as PIR, HEIR, and RIM—the simplest and most commonly used measure (and the one adopted in these statistics) is the price-to-income ratio (PIR), expressed as the ratio between annual household income and housing prices (and its rental equivalent: the rent-to-income ratio, RIR).
Home equity credit	A consumer loan that allows homeowners to obtain financing by using the accumulated value (equity) of their dwelling as collateral. The loan is secured by the home itself. If the property is already mortgaged, the available collateral corresponds to the difference between the market value of the property and the outstanding mortgage balance.
Loan-to-value ratio (LTV)	The proportion between the amount of the mortgage loan and the appraised value or purchase price of the property. It is a key indicator of credit risk: higher loan-to-value (LTV) ratios imply lower borrower equity and greater risk for the lender.
Qualitative housing deficit	The number of existing dwellings that, while providing shelter, are inadequate and require some form of improvement. Inadequacy may result from poor construction quality, overcrowding, insecure tenure, lack of basic services, or structural deficiencies, according to the adopted methodology. It therefore measures the gap in housing adequacy.
Quantitative housing deficit	Typically refers to the number of additional housing units required to eliminate the gap between the existing housing stock and the number of households in need of adequate shelter. It measures the absolute shortage of housing relative to household needs.
Dwelling / housing unit	A structure with one or more floors covered by a roof, built or adapted to be inhabited by one or more people on a permanent or temporary basis. It must have direct and independent access from the street or through common-use areas. Dwellings may be classified as private (intended for a single household) or collective (intended to accommodate multiple households).
Low-income families	Households whose income falls below a threshold defined in relation to national or local standards. In housing policy, this group is typically identified as households whose income is insufficient to access adequate housing in the formal market without subsidies or other forms of support. The exact threshold may be expressed as a percentage of average household income, by income deciles, relative to the minimum wage, or in relation to poverty lines, depending on the methodology adopted.
Middle-income families	Households whose income falls between the thresholds defining low- and high-income groups, according to national or local standards. The exact range may be expressed as a band around median household income (e.g. 80%–120%), by income deciles, or in relation to multiples of the minimum wage, depending on the methodology adopted.
Islamic finance (Sharia-compliant)	Islamic finance is a financial system aligned with the moral principles of Islamic law (Sharia), which prohibit the charging of interest (riba). Instead of interest-based lending, Islamic finance emphasizes profit-and-loss sharing, transparency, and partnership-based arrangements.

Credit funding	Refers to the financial resources mobilized to provide liquidity for mortgage lending. It includes both primary funding sources—such as deposits, savings, and the capital of financial institutions—and secondary market instruments, such as securitization or mortgage-backed bonds, which recycle capital through the sale of mortgage assets to investors. The funding structure influences the availability, cost, and stability of mortgage credit.
Mortgage	A loan secured by real estate, typically used to purchase, construct, or improve a dwelling. It is based on a lien over the property, which remains in effect until the loan is fully repaid. This definition excludes developer loans and personal/consumer loans but includes home equity loans when a mortgage lien exists. Mortgages generally involve long amortization periods, and payment default may lead to foreclosure. Note: In common law systems, a mortgage usually refers to a loan secured by real estate in which the creditor may hold a legal interest until full repayment. In civil law systems (including much of Latin America), a mortgage is a specific legal instrument: a registered real right over the property, without transfer of possession, that guarantees payment. While the terms are broadly equivalent, legal frameworks and enforcement procedures differ.
Fixed-rate mortgage	A mortgage loan in which the interest rate remains constant throughout the entire loan term, resulting in predictable and stable monthly payments.
Variable-rate mortgage	A mortgage loan in which the interest rate may change over time, typically linked to a reference rate or index (including price indexation), causing monthly payments to fluctuate.
Green mortgage	Also known as an energy-efficiency mortgage, this is a type of mortgage loan used to purchase, build, or renovate properties that meet higher standards of environmental sustainability or energy efficiency. These mortgages are often linked to certified properties and offer financial incentives—such as subsidies, lower interest rates, or longer amortization periods—to encourage households to invest in sustainable housing.
Household	A household is defined as one or more persons, related or unrelated, who usually reside in the same dwelling and share living arrangements, such as meals or the joint use of income and resources. A household may consist of a single person living alone, a nuclear or extended family, or unrelated individuals sharing a dwelling. It is generally the basic unit of analysis for income, expenditure, and housing statistics.
Housing microfinance (HMF)	A type of non-mortgage credit, unsecured by real property and of relatively low value, aimed at financing home repairs, improvements, or incremental housing construction. As with other forms of microcredit, loan amounts are determined based on the borrower's repayment capacity, and guarantees often rely on mechanisms accessible to borrowers, such as co-guarantors, joint liability arrangements, or other community-based mechanisms.
Installment-to-income ratio (ITI)	Also known as the debt service-to-income ratio, it measures the share of household income devoted to paying the monthly mortgage installment. It is a standard affordability indicator, with thresholds often defined by regulation or by financial institutions.
Subsidies	Housing subsidies are any form of payment, grant, or financial assistance provided below market value, designed to reduce housing costs or prices and improve affordability. They may operate on the supply or demand side; be direct or indirect, transparent or implicit; and be targeted or universal. Common instruments include direct cash transfers, rental vouchers, interest rate reductions, tax incentives, and the provision of land or infrastructure at subsidized cost.
Social interest housing (SIH) / social housing	Refers to housing aimed at ensuring affordable access for specific population segments that cannot obtain housing at market prices. It is generally defined by price ranges and/or beneficiary income levels and incorporates some form of subsidy. Social housing may encompass diverse provision, management, and access models, depending on institutional and policy frameworks.
Adequate / decent housing	According to UN-Habitat, adequate housing is housing that meets the following criteria: <ul style="list-style-type: none"> • Security of tenure • Availability of services, materials, facilities, and infrastructure • Affordability • Habitability • Accessibility • Location • Cultural adequacy

Regional housing outlook in Latin America and the Caribbean 2024

By Claudia Magalhães Eloy and Pablo Lopez

Introduction

This regional outlook presents a comparative reading of the state of housing in 15 countries across Latin America and the Caribbean, based on the main macroeconomic, financial, and housing indicators compiled for 2024. In addition, the opportunity provided by this second edition to compare two homogeneous data series—2023 and 2024—marks a major step forward, as it allows, for the first time, the systematic observation of how key housing, financial, and urban indicators evolve across countries based on quantitative evidence. This exercise strengthens the empirical foundation for housing and urban development policy formulation and program evaluation in the region.

Beyond the heterogeneity of national contexts, the results show that the region is undergoing a period of macroeconomic moderation, accompanied by an uneven recovery in employment and persistent urban informality, which continues to shape paths to housing inclusion. At the same time, the weight of qualitative housing deficits and the limitations of mortgage credit reveal the depth of the structural challenges facing housing systems in Latin America and the Caribbean.

Macroeconomic and demographic context

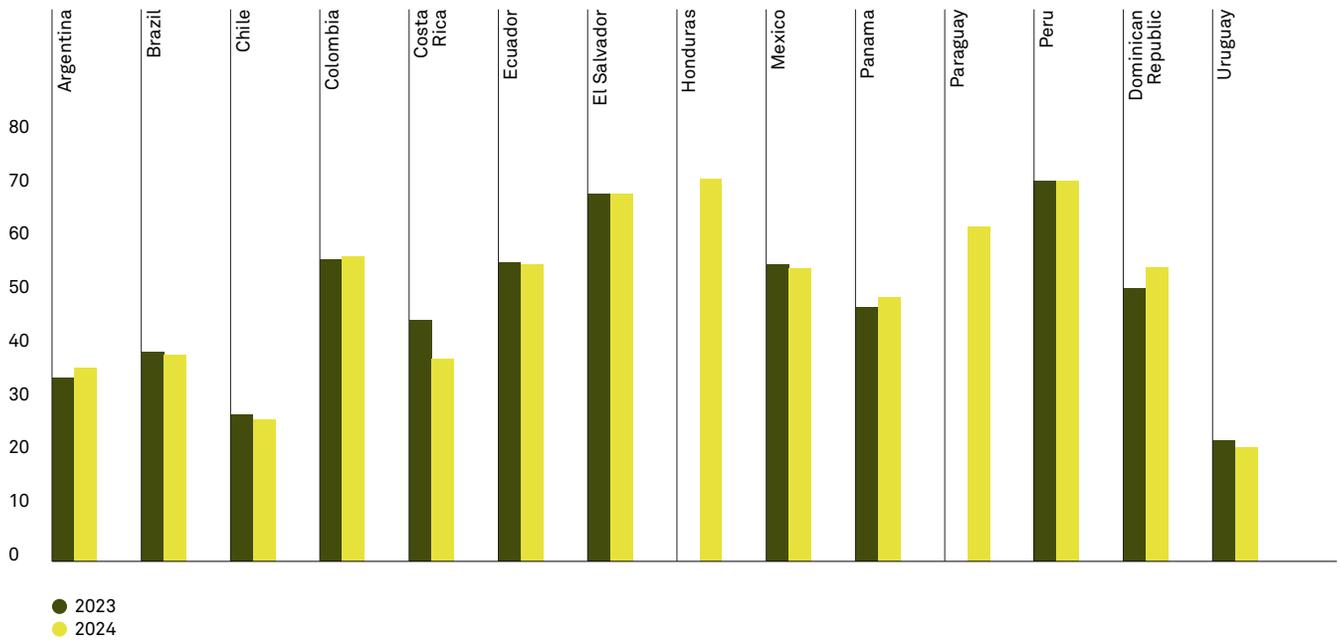
The 2023–2024 biennium shows a general stabilization of macroeconomic variables following post-pandemic volatility. Inflation moderated in most countries: Colombia (from 9.3% to 5.2%), Peru (from 6.3% to 1.9%), Panama (from 1.5% to 0.7%), the Dominican Republic (from 4.8% to 3.4%), and Mexico (from 4.7% to 4.2%). Argentina remains an exception, with triple-digit inflation despite recent deceleration. Brazil, Uruguay, and Chile maintain moderate levels around 5%, reflecting monetary stability.

Unemployment shows slight improvements: Brazil (from 7.8% to 6.2%), Peru (from 7.2% to 5.6%), and Uruguay (from 7.8% to 7.4%) reduced their rates, while Panama and Colombia continue to post relatively high figures, above 9%. By contrast, Mexico and Ecuador record the lowest unemployment levels in the region (2.6% and 3.4%, respectively).

However, labor informality remains one of the most persistent structural characteristics: in eight of the 15 countries, it exceeds 50% of the employed population. The highest rates are observed in Honduras (71.2%) and Peru (70.9%), compared to the lowest levels in Uruguay (21.2%) and Chile (26.3%).

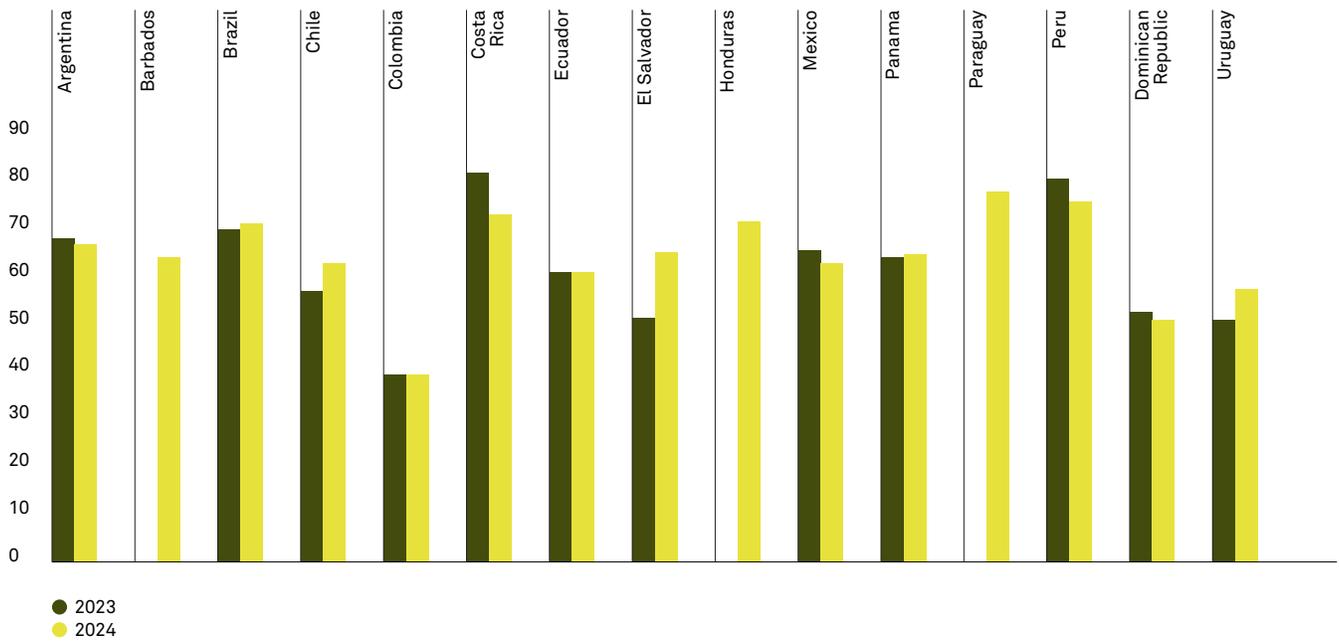
Homeownership rates remain stable at around 60%–70% in most countries, with higher levels in Paraguay (approximately 78%) and lower levels in Colombia (around 40%). Nevertheless, as is widely recognized, these figures do not necessarily reflect tenure security, nor formal or adequate housing conditions, as in many cases they result from the persistence of informal self-construction and limited residential mobility.

Labor informality



Note: No data are available for Barbados.

Homeownership



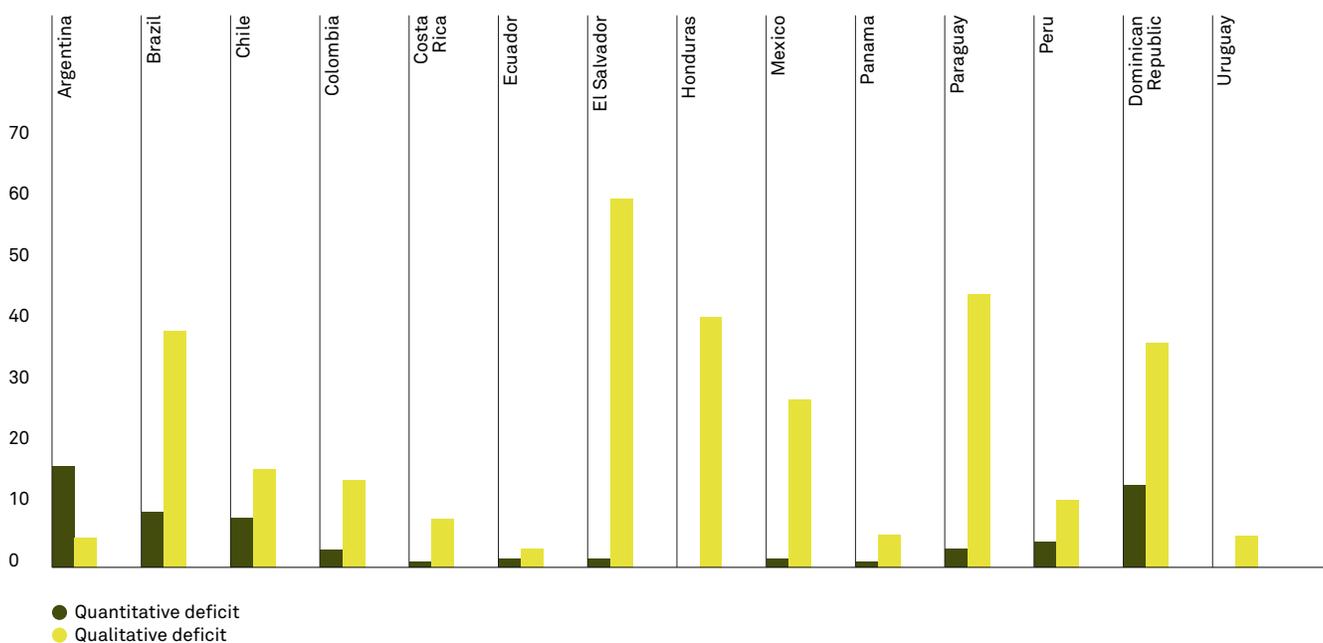
Banking spreads (the difference between lending and deposit rates) suggest an overall quite restrictive financial environment. Only Chile, El Salvador, and Panama post values below 3 percentage points (pp). In Colombia, Paraguay, and Peru, spreads range between 9.3 and 12.6 pp. Brazil stands out as an extreme case, with a spread of 32.5 pp. The persistence of these differentials reflects high risk perceptions in middle- and low-income segments, as well as limited competition among financial intermediaries.

Housing deficit: persistence with modest improvements

The housing deficit, both quantitative and qualitative, remains one of the most significant gaps in the region. On average, 20% of urban households experience severe deprivations, although results vary widely by country and by the methodology used to measure the deficit.

The urban quantitative deficit shows modest reductions in Argentina (from 17.3% to 16.8%) and Brazil (from 9.6% to 9.1%). At the regional level, a slow but sustained downward trend in the quantitative deficit is observed. By contrast, the persistence of the qualitative deficit—except in Argentina and Ecuador (below 5%)—is more pronounced and is associated both with the precariousness of the existing housing stock and with the expansion of informal self-construction as a response to the affordability crisis.

Housing deficit/urban housing stock (2024)



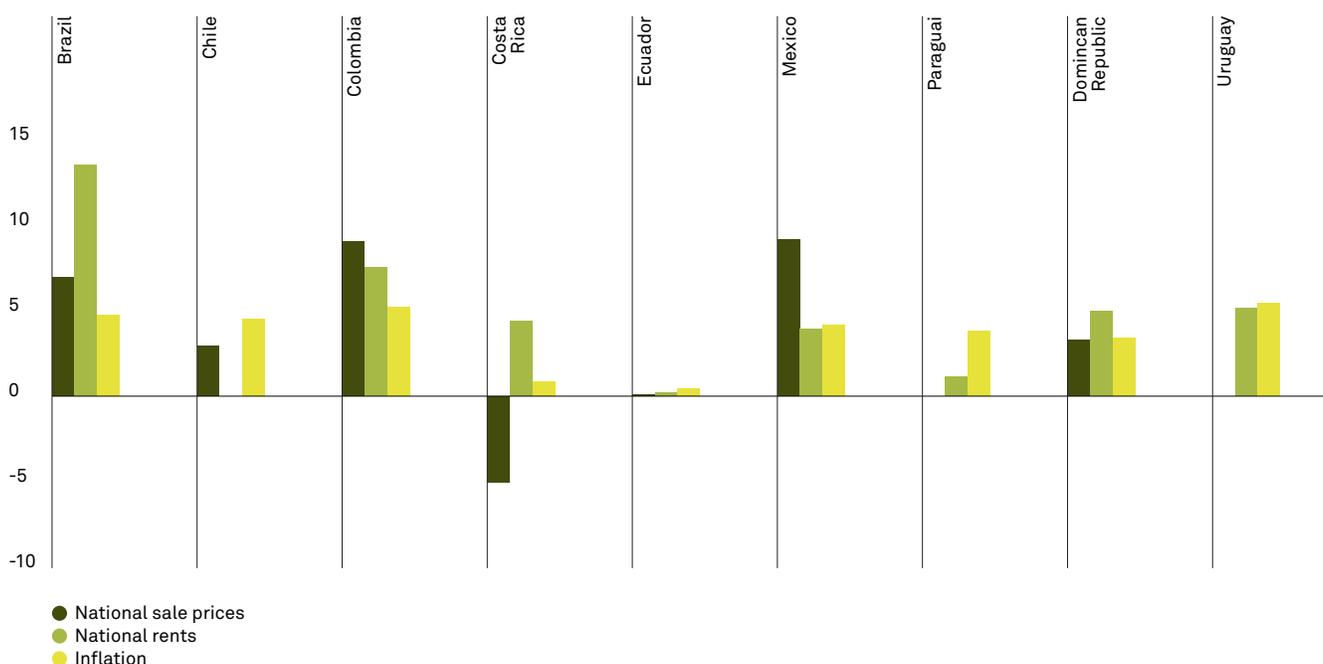
Housing market: affordability and price pressures

Among the countries with available price indices, the housing market shows some tendency toward stabilization following the sharp price increases observed in 2021–2022. However, in several countries—particularly Colombia and Mexico—sale prices rose above inflation.

Rental prices show more moderate variations in those countries, influenced by inflation and urban demand. In Brazil and Costa Rica, rental growth significantly outpaced inflation.

Median housing prices vary substantially across countries, reflecting differences in production costs as well as the concentration and distribution of housing supply across income segments.

Price index change, 2023–2024

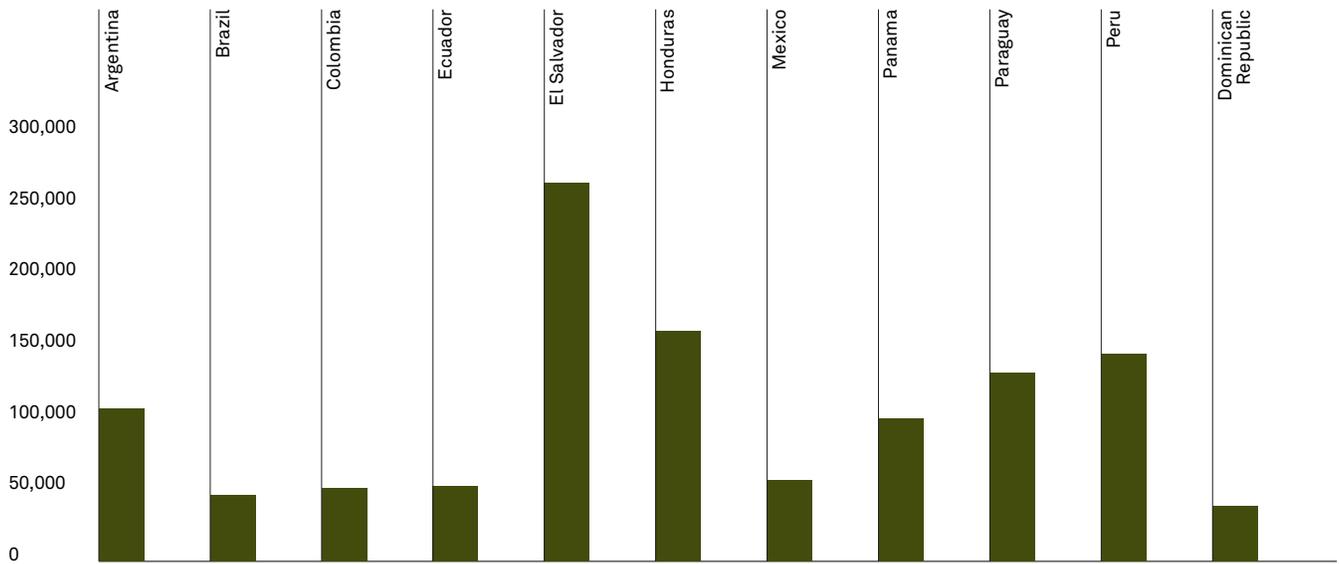


Housing affordability (the price-to-income relationship) remains a structural challenge in most countries in 2024. In nearly all countries, except Uruguay, ratios exceed four, underscoring the gap between incomes and housing prices.

Rental affordability improves slightly in Uruguay (from 25.8% to 19.7% of income allocated to rent) and remains stable in countries such as Brazil (around 39%) and Chile (around 35%). By contrast, low-income households in Peru, the Dominican Republic, and Honduras continue to devote a high share of their income to housing.

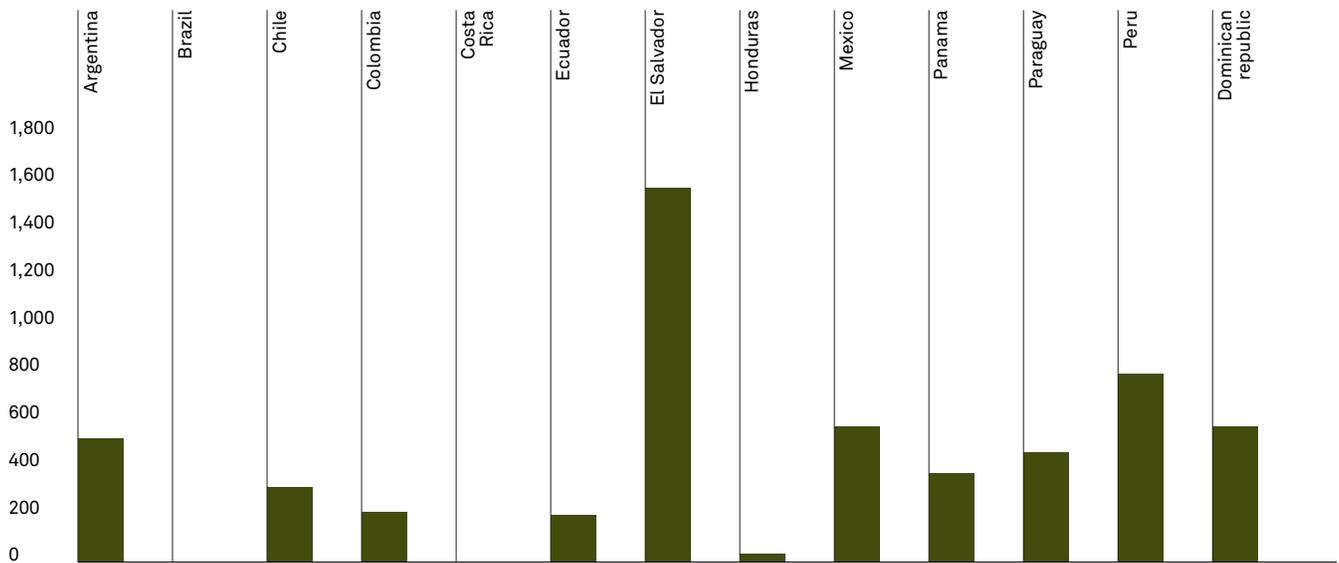
Access to formal property titling shows heterogeneous results. In countries such as Panama and Paraguay, the share of households without formal titles in 2024 represents less than 1% of the housing stock, while in Uruguay and Argentina values range between 9% and 13%, reaching nearly 25% in Peru. However, six of the 15 countries covered in this Yearbook lack systematic information on this issue.

National sale price (USD), 2024



Note: In several countries, prices represent the median sale price. See the tables in this Yearbook and the Yearbook website for country-specific methodological notes.

Urban rent price (USD), 2024



Housing finance: uneven progress and growing fiscal pressure

Mortgage credit as a share of GDP continues to show sharp disparities. Chile (around 28%), Barbados (27%), and Panama (23%) lead in mortgage market depth, followed by Brazil, Colombia, Ecuador, El Salvador, and Mexico, with values ranging from 7.4% to 11%. The remaining countries show low levels, with Argentina representing the most severe case at just 0.2%.

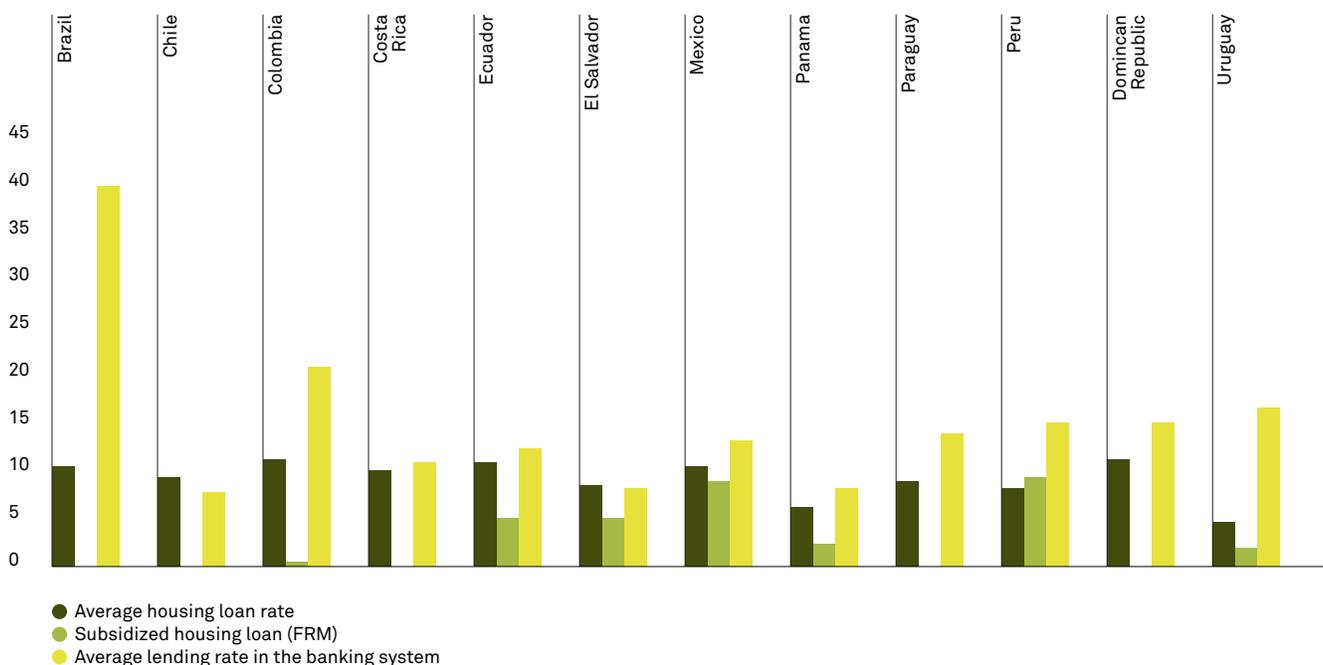
Among the reasons for these low levels are limited housing affordability (with prices increasingly decoupled from incomes), high interest rates—above 8% per year (except in Barbados, Panama, and Uruguay)—and the difficulty informal workers face in accessing formal mortgage credit.

Public investment in housing remains low in most countries. On average, public resources allocated to housing do not exceed 1% of GDP, underscoring the limited reach of social housing programs.

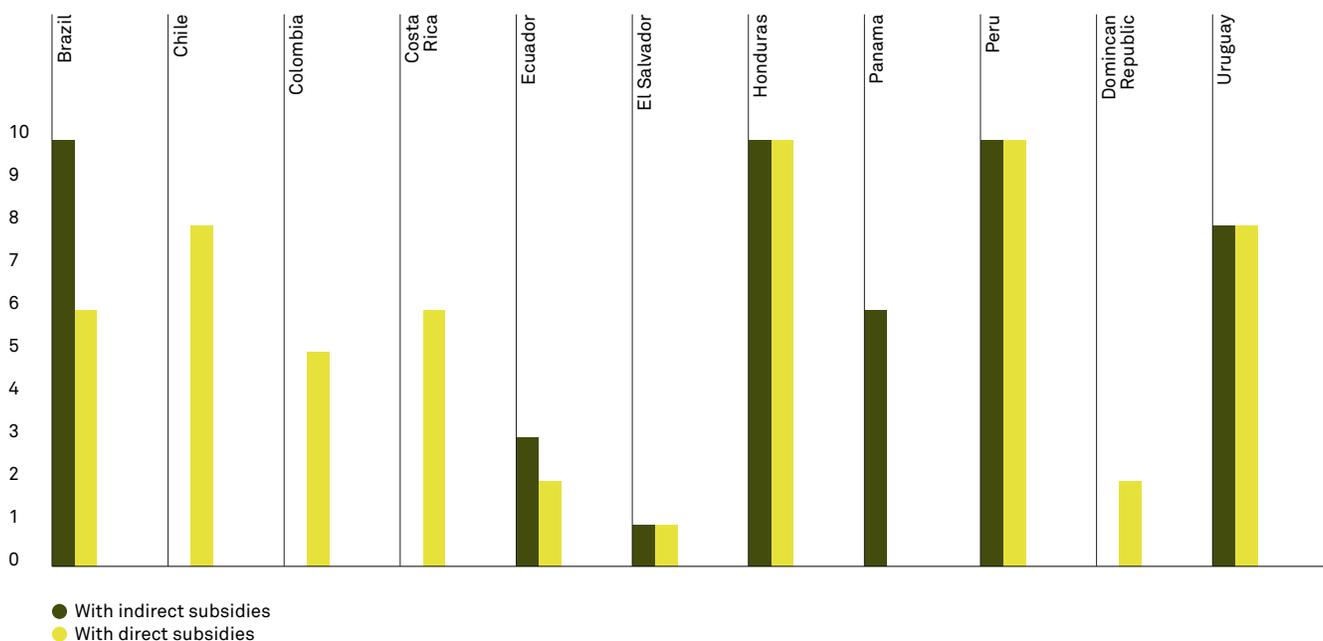
Deposits remain the main source of funding in eight of the 15 countries, followed by special funds and public resources. This reflects both the limited dynamism of capital markets in the region and the difficulty of expanding credit, particularly for lower-income populations.

In most countries, average mortgage interest rates are consistently lower than general credit rates (consumer or unsecured loans). This reflects the preferential treatment of housing finance, supported by dedicated funding sources and implicit subsidies, as well as the lower perceived risk associated with mortgage collateral, even before the expansion or introduction of explicit subsidies.

Interest rate on home-purchase loans



Highest income decile reached by subsidized mortgage credit



Another relevant issue is that, despite the near-universal presence of subsidies, access to subsidized mortgage credit is generally weakly targeted.

Among the countries newly incorporated into this edition of the Yearbook, Honduras illustrates the key role of public banking (Banco Atlántida) in the region—as a mechanism for macroeconomic stabilization and the expansion of social credit—bringing the total number of countries with this characteristic to eight out of 15. By contrast, Barbados and Paraguay rely primarily on private banks as the main providers of mortgage credit.

Only Brazil shows significant funding through real estate-linked bonds, although their impact on the expansion of housing credit remains limited, with growth largely concentrated on financing production rather than acquisition.

Housing microfinance—an important alternative for addressing the qualitative deficit—is offered in 10 of the 15 countries, but is regulated as a financial product in only five. The lack of regulation is reflected both in higher costs and limited market development, despite its greater accessibility for lower-income and informal households. The significant lack of data on this market is another critical concern in a region characterized by housing and labor informality. Only in three countries—El Salvador, Honduras, and Peru—was it possible to map access by informal workers to formal mortgage credit.

Information on women's participation in mortgage credit is available in only seven of the 15 countries, and only in Colombia is participation proportional to the gender distribution of the population. In the remaining countries, women are underrepresented in mortgage credit. Participation by race—Afro-descendant and Indigenous populations—is not recorded in official statistics.

Regional trends and structural challenges

The regional outlook reveals a stabilized macroeconomy alongside persistent social inequality. Inflation and unemployment have converged toward moderate levels, yet labor and housing informality remains the main structural obstacle.

The qualitative housing deficit affects all countries, with particular intensity in urban areas where the growth of self-construction outpaces the state's capacity for regulation and technical assistance. Nevertheless, new housing construction remains the primary housing policy strategy in the region.

Low affordability levels point to a deepening difficulty in access: only Uruguay and Costa Rica show improvements in relative access to formal housing. In the remaining countries, the income-price relationship remains unfavorable, worsening—or at best maintaining—spatial inequality in access to adequate housing in urban areas.

From a financial perspective, in 2024 credit remains concentrated in formal middle- and high-income segments, with limited reach among lower deciles. Although most countries have credit-linked subsidies, these often benefit households above median income levels and, in some cases, extend to the 8th and even 10th income deciles, suggesting the need for better targeting. At the same time, limited public investment and the lack of intermediate instruments—such as guarantees, credit insurance, or long-term funding mechanisms—continue to constrain the expansion of housing finance.

The incorporation of Barbados, Honduras, and Paraguay in this edition of the Yearbook broadens the institutional diversity of the sample, each with critical challenges related to affordability, informality, and housing deficits, alongside incipient advances in social housing programs. Data collected for these countries strengthen regional monitoring and cross-country learning.

Conclusion

The comparison of countries included in this edition of the Yearbook confirms that Latin America and the Caribbean follow divergent paths in terms of institutional maturity in housing policy.

Gradual reductions in the quantitative deficit, inflation control, and credit stability in many countries represent significant achievements. However, the persistence of informality, the precariousness of the existing housing stock, and the need for greater affordability call for a new cycle of housing policies centered on quality, location, and sustainability, as well as the expansion of innovative and affordable financial instruments for low-income and informal segments.

This second edition demonstrates that a sustained regional information system not only improves diagnosis, but also strengthens governance and regional cooperation in housing and habitat, reaffirming the commitment of CAF and the Lincoln Institute to generating knowledge for sustainable urban development in Latin America and the Caribbean.

Housing informality: the role of access to land and financing

Housing informality is a persistent and complex reality in Latin American and Caribbean cities that cannot be reduced to the absence of property titles or to the physical precariousness of housing. Behind it lie structural dynamics—economic, regulatory, and territorial—that determine who gains access to land and credit, and under what conditions. A significant share of urban households in the region meet their housing needs outside formal channels, shaping a mosaic of solutions that combines resilience, exclusion, and grassroots ingenuity.

The articles accompanying this edition of the Housing Yearbook for Latin America and the Caribbean seek to open a necessary conversation around two critical dimensions of informality: the financial constraints faced by households that depend on informal work, and the scarcity of well-located, serviced urban land—factors that reinforce peripheral expansion and segregation. Rather than offering definitive answers, both texts invite readers to view informality not only as deficit, but also as opportunity, while recognizing the urgency of adapting public policy instruments to the realities of families and territories.

This approach does not seek to exhaust the debate, but to advance it. Understanding housing informality requires acknowledging its diversity and its structural weight in the production of the city. By bringing land and finance challenges to the fore, this edition of the Yearbook aims to contribute to a broader regional reflection: how to build urban and financial systems that include—rather than exclude—those who today sustain a significant share of our cities from within informality.

Reflections from the Lincoln Institute of Land Policy: Informal housing

The proliferation of informal settlements in Latin America and the Caribbean is one of the region's main urban challenges. Far from being a marginal phenomenon, it is a structural process linked to the interaction of inaccessible land markets,

restrictive regulatory frameworks, limitations in urban planning, and shortcomings in the provision of infrastructure and public services. The result has been the consolidation of an urban pattern marked by informal residential segregation and the socioeconomic vulnerability of millions of households.

The dynamics of land markets in the region largely explain this outcome. A shortage of serviced urban land, together with real estate speculation and high transaction costs, creates barriers to entry into the formal housing market for lower-income groups. This situation is compounded by the lack of effective mechanisms to supply social housing or affordable land, pushing a broad segment of the population toward informal solutions. In this context, irregular settlements are not simply the result of poverty, but of urban systems' inability to generate viable alternatives within the formal market.

Urban planning and land-use policies have also contributed to the expansion of informality. Inflexible land-use regulations, high minimum urbanization standards, and complex administrative processes exclude broad segments of the population from legal access to land and housing. Added to this is the frequently exclusionary nature of regulatory frameworks, in which zoning, construction, and subdivision regulations tend to be designed for middle- and high-income households. This bias raises land costs and the cost of producing formal housing, limiting the supply of affordable options for lower-income groups and pushing part of demand toward informal solutions.

At the same time, limited capacity among local authorities to guide urban growth—combined with budget constraints—results in the absence of preventive planning that can promote orderly densification or anticipate the expansion of the urban footprint and enable the timely provision of serviced land. Insufficient infrastructure and public service coverage reinforces this vicious circle. In many cases, settlements emerge and consolidate in areas where the state lacks an effective presence, generating chronic deficits in water, sanitation, electricity, mobility, and urban facilities. These shortcomings not only undermine residents' quality of life, but also increase the cost of later public intervention to regularize and service already consolidated neighborhoods.

Another emerging cross-cutting issue in the region is the amplification of informal settlements driven by large-scale migration flows, particularly Venezuelan migration to countries such as Colombia, Peru, and Chile. The large-scale arrival of people in urban contexts already strained by housing deficits and limited serviced land has accelerated the informal occupation of plots, often in peripheral or high-risk areas. This phenomenon poses new public policy challenges not only in housing and services, but also in the social, labor, and territorial integration of migrant populations. Land management and urban planning will therefore need to incorporate flexible and inclusive strategies that recognize diverse migration trajectories and promote sustainable housing solutions—avoiding responses to emergencies that deepen urban informality.

Overcoming these challenges requires a comprehensive approach that combines land-access policies, regulatory flexibility, and strengthened institutional and financial capacity among local governments. Key areas for action include generating affordable serviced land through land-value capture mechanisms and urban finance; revising regulatory frameworks to allow gradual and affordable solutions; implementing regularization programs that integrate services and infrastructure from an inclusion perspective; and developing planning instruments that anticipate urban growth and guide it toward a sustainable and equitable model.

In this regard, Bogotá's Triángulo de Fenicia partial plan, as well as Medellín's Juan Bobo integrated upgrading project (Arcia et al., 2022)¹, despite their respective limitations, illustrate pathways to expand access to formal urban land: enabling mixed uses, reserving social/priority housing, and reorganizing parcels through partial plans or area-based interventions—thereby reducing barriers to access to formal land. Adapted regulatory frameworks (decrees, implementation units, priority declarations) can introduce flexibilities and align regulations with local realities. The integrated interventions in these projects combine housing improvements, public services, public space, risk mitigation, and community participation.

In Argentina, PROMEBBA² offers another example of applying several of these lines of action to address informal housing, combining legalization, infrastructure provision, community engagement, and institutional strengthening. While logistical, financial, and coordination challenges remain significant, this type of program shows that with political will, technical support, and adequate resources, it is possible to move toward more inclusive urban development.

In sum, housing informality in Latin America and the Caribbean is not only a housing problem, but a manifestation of structural failures in land markets, planning, and service provision. Addressing it effectively requires a public policy agenda that articulates integrated and preventive solutions—capable of transforming informal urbanization into opportunities for inclusive and resilient urban development.

Reflections from CAF: Breaking the vicious cycle of informality

Financial innovation and transforming mortgage risk in Latin America

Labor informality is one of the main challenges to sustainable development and equity in Latin America and the Caribbean. As reflected in the indicators in this edition of the Yearbook, labor informality remains a structural feature of the region. Of the 15 countries analyzed, in 8 this indicator exceeds 50% of the employed population, with highs such as Honduras (71.2%) and Peru (70.9%), and lows in Uruguay (21.2%) and Chile (26.3%). In this context, demand for financial products arising from this segment of the market is met only partially, given a supply that is shaped almost exclusively around formal workers.

In the absence of housing finance mechanisms suited to informal labor markets, the consequences are multifaceted. In some cases, households spend years saving to build their homes progressively, or rely on formal or informal personal loans at very high interest rates; at the extreme, they resort to informal housing solutions on the urban periphery. As a result, the links between labor informality, financial exclusion, and housing deficits form—at least in the LAC region—a vicious cycle that perpetuates intergenerational poverty, deepens socio-spatial segregation, and heightens the social and environmental vulnerability of these populations.

Overcoming these obstacles requires multiple approaches, some of which extend beyond the housing sector, as they are linked to specific features of national economies and labor markets. Nevertheless, there is room for action within financial markets to develop alternatives that expand the supply of products for people in situations of labor informality. One of the most direct measures is to rethink the metrics used for loan origination and credit scoring—so that repayment capacity can be assessed beyond the

1 Diego Arcia, Juan Felipe Pinilla, María Juliana Rojas, Salvador Herrera Montes, and Tania Romero Lopez (2022), Instrumentos de gestión del suelo para el desarrollo urbano: el caso del reagrupamiento parcelario en el Área Metropolitana de Guadalajara, Mexico, Inter-American Development Bank. <https://doi.org/10.18235/0004145>.

2 Programa de Mejoramiento de Barrios: <https://www.argentina.gob.ar/habitat/mas-programas/programa-de-mejoramiento-de-barrios-V>.

presence or absence of a formal wage. International experiences, such as those in India, can inform and support a discussion in this direction.

Regional mortgage market depth—while heterogeneous—is very low compared with deeper markets such as the United States or Europe. Broadly, three groups can be identified by level of market development: those where the ratio of mortgage credit volume to GDP is 20% or higher—such as Chile, Barbados, and Panama; a second, medium-development group between 7% and 11%, including Brazil, Colombia, Ecuador, El Salvador, and Mexico; and a third group comprising the remaining countries in the region, with values below 7%, with Argentina as the lowest at just 0.2%. This low depth is explained by multiple factors, including high funding costs and high spreads or limited competition, but in many cases it is driven by overly restrictive conditions for borrower qualification.

In this sense, if financial systems do not adapt their risk-measurement paradigms to a socioeconomic reality increasingly marked by labor informality, the universe of potential mortgage clients will continue to shrink—affecting the depth and sustainability of portfolios and limiting credit's social impact as a development tool. Evidence suggests that the real repayment capacity of many informal households is underestimated by current models, and that a shift in approach would make it possible to bring a significant share of this population into the formal mortgage credit market.

To achieve this, it is imperative that the financial sector—banks, fintechs, cooperatives, and public actors—assume an active role, exploring new credit solutions that are more inclusive and sustainable. This entails rethinking credit-risk measurement by incorporating alternative variables (behavioral scoring, utility payment histories, microfinance, flexible guarantees, among others) and learning from international and regional experiences that have proven effective in expanding access to credit in high-informality contexts.

Among these experiences are hybrid models in which traditional scoring is complemented by analysis of alternative variables using big data and machine learning, allowing better segmentation and risk management. In addition, the acceleration of payments digitalization during the pandemic and progress in open banking and open finance initiatives in countries such as Brazil, Chile, and Mexico have expanded and deepened access to financial services in Latin America and the Caribbean. These transformations not only facilitate the inclusion of traditionally excluded segments, but also reveal new challenges—such as the need to strengthen financial literacy and build user trust in digital accounts. The use of alternative data and interoperability across institutions, supported by modern

regulatory frameworks, are key to expanding access to credit and building more inclusive and resilient financial systems in the region.

In this process, development banks, multilateral organizations, and national and subnational governments play a strategic role as catalysts for financial innovation and coordinators of solutions. Among the tools proposed to promote the social inclusion of such a significant segment of the population are guarantee instruments, including public and private funds that back loans for traditionally excluded groups. Examples include FOGAPE in Mexico, FGHab in Brazil, and the National Guarantees Fund in Colombia, which illustrate how these mechanisms can help financial institutions reduce risk and expand access to mortgage credit for informal workers.

Transforming the risk paradigm is not only a social and development imperative; it is also a strategic opportunity for the financial sector in a context of mature markets and growing competition. Leadership will be critical to pilot initiatives, scale innovative models, and establish enabling regulatory frameworks that promote financial and social inclusion—particularly for middle- and lower-income socioeconomic segments.

The challenge is clear: to move toward financial systems that are more inclusive, resilient, and aligned with the reality of Latin America and the Caribbean—capable of integrating the millions of households currently excluded from formal credit and, in so doing, contributing to the reduction of housing deficits, the integration of informal settlements, and the construction of fairer, more resilient, and more prosperous cities. To that end, national governments have a key role in creating enabling regulatory frameworks, promoting public-private partnerships, and protecting consumers—ensuring that financial innovation translates into greater inclusion and sustainability across the region.

An aerial photograph of a densely packed urban area. The foreground and middle ground are dominated by several tall, modern high-rise apartment buildings with light-colored facades and many windows. Behind these, a vast expanse of informal housing, often called a favela, is visible. These buildings are constructed from brick and are built very close together, with many having flat roofs and small balconies. The overall scene illustrates the contrast between formal urban development and informal settlement.

2. Analytical country reports

- The reports presented in this section aim to provide a synthesis of the housing sector in each country, based on brief analyses of observed dynamics and key highlights drawn from the variables and indicators compiled. In addition, qualitative considerations are included to complement the reading of the data. Taken together, the reports offer a comprehensive view of the housing sector, the progress recorded during the year, and emerging trends.
- The reports are structured as follows:
- Opening section highlighting key findings.
- Analytical sections organized by the following thematic areas:
 1. General overview: macroeconomic and demographic aspects
 2. Housing access for the social interest segment
 3. Housing market
 4. Residential mortgage market
 5. Urban land market
 6. Informality, inclusion, and sustainability
- Closing section presenting perspectives, trends, and projections derived from the analyses conducted.

Each report also includes:

- A summary table of the mortgage system, which synthesizes the main characteristics of the system in each country based on a standardized set of questions, facilitating regional comparability.
- A summary table with 15 selected indicators, drawn from statistics or derived from cross-tabulations of information.

The indicators derived from cross-tabulations include:

- Ratio of residential mortgage credit stock to GDP.
- Ratio of public investment in housing to GDP.
- Banking spread—the difference between the average interest rate on general bank credit (not limited to mortgages) and the average rate paid on deposits by banks in the country.
- Ratio of the quantitative housing deficit to the total housing stock.
- Ratio of the qualitative housing deficit (inadequate housing) to the total housing stock.
- Housing affordability index (urban or national, as defined in each case), corresponding to the PIR (price-to-income ratio)—the ratio of the median sale price to median annual household income.
- Rental affordability index (urban or national, as defined in each case), corresponding to the RIR (rent-to-income ratio)—the ratio of the median rent price to median annual household income.
- Ratio of dwellings without formal property titles to the total housing stock in the country.



Argentina

By Iván Kerr y Federico González Rouco

Summary

- Economic stabilization and the change in government have enabled the return of mortgage lending, with volumes still low but gradually increasing.
- The scarcity of funding for mortgage credit—dependent on deposits—places a ceiling on its expansion and is beginning to put upward pressure on interest rates.
- The reduction in the exchange rate gap (relevant for construction costs), followed by an appreciation of the local currency, has a direct impact on construction costs, which doubled in 2024 compared to 2023.
- Housing policy is being reoriented: the national government is stepping away from the construction or financing of housing and is focusing instead on regulatory changes.

General overview: Macroeconomic and demographic aspects

In 2024, Argentina's economy underwent a process of significant macroeconomic adjustment following the change in government. After the new administration took office in December 2023, shock measures were implemented to reduce the fiscal deficit and curb inflation. As a result, the national government achieved a balanced budget, and inflation showed a marked deceleration trend, falling to nearly half its previous level—from an annual rate of 211% in 2023 to 118% in 2024.

The economic recession that began in 2023 deepened during the first half of 2024. However, signs of recovery emerged in the second half, with economic activity trending upward by year end. GDP declined by 1.3% in 2024, despite recording year-over-year growth in the final quarter.

Household incomes declined in real terms and ended 2024 at levels below those of 2023. The adjustment in public utility tariffs directly reduced household purchasing power.

Access to housing for the social interest segment

In December 2023, the newly inaugurated government introduced changes to the regulatory framework governing the rental market by repealing the law enacted in 2020. This triggered rapid market adjustments: rental listings on housing platforms surged, while initial asking prices fell by nearly 30% (although the mechanism for adjusting rents during the contract period also changed). Following these developments, access to rental housing receded somewhat from the public policy agenda as this problem partially eased, contributing to some improvement in affordability.

In addition, during the second quarter of the year, commercial banks reintroduced indexed mortgage loans. Over the course of 2024—particularly in the second half—lending reached nearly 12,000 loans. While still low relative to credit estimated demand, this represents a significant increase over the 2019–2023 period (in 2023, only 3,300 loans were issued).

These indicators contrast with the measures adopted by the current national government which, under the public emergency declared by Decree 70/2023—covering economic, financial, fiscal, administrative, pension, tariff, health, and social matters through December 31, 2025—suspended or discontinued all housing and habitat programs. Resolution 1199/2025 of the Ministry of Economy establishes that provinces and municipalities must finance these initiatives without funding from the National Public Sector.

These measures, together with the dissolution of the public trust fund known Pro.Cre.Ar., ordered by Decree 1018/2024, raise questions about how social housing

access policies will continue now that they are under provincial and municipal responsibility. The shift comes as the national government withdraws from financing a large share of these programs—particularly in a context where mortgage credit remains accessible only to households in the ninth income decile.

Housing market

In 2024, the housing market underwent a series of structural transformations, with a direct impact on prices, transaction volumes, and the number of housing units built. The late-2023 repeal of the Rental Law altered market dynamics, leading to a surge in property listings on major housing platforms and a decline in initial rental prices.

New housing construction slowed as costs rose, driven by the normalization of the foreign exchange market and the currency devaluation. Concurrently, property prices did not increase to the same extent. As a result, rising costs became a constraint for developers, who experienced a sharp decline in profitability. Nevertheless, building permits increased—at

least in the Autonomous City of Buenos Aires (CABA). Property prices did not keep pace with the rise in costs for several reasons. First, construction costs—denominated in local currency—adjust more rapidly than property prices, which are typically set in U.S. dollars. Second, market demand lacked sufficient strength to validate higher prices. Finally, the initial level of construction costs was unusually low, allowing for a certain degree of normalization.

Lagging property prices, along with an improved wage-to-price ratio, contributed to higher transaction volumes and the early reactivation of the mortgage market after several years of inactivity.

Mortgage housing credit market

Beginning in April, around 25 financial institutions resumed offering mortgage loans, helping reverse the severe contraction of the mortgage market. Although disbursements remained low compared to levels observed in Argentina's regional peers, this development is symbolically significant.

Overview of the mortgage system	
Quais são as fontes de recursos que respaldam o crédito habitacional?	Bank deposits from individuals and companies. There is no capital market or secondary market focused on real estate bonds or securitizations.
Qual é a principal fonte e sua participação no estoque total de crédito habitacional?	Primary source: commercial banks, which rely heavily on collected deposits.
Que tipos de instituições concedem empréstimos habitacionais?	In 2024, only commercial banks (mortgage loans). Other smaller institutions may finance housing, but there is no information available on this.
Qual é a principal instituição e sua participação no mercado?	Banco Nación, 38%.
Qual é o tipo de produto creditício mais comum para a aquisição de habitação?	Indexed-rate mortgage loans.
Quais são as taxas de juros típicas — fixa, variável e subsidiada — respectivamente?	<ul style="list-style-type: none"> • ARS-denominated loans: 54% average annual nominal interest rate. • UVA-denominated loans: 2.7% average annual real interest rate, plus inflation indexation of principal.
Qual é a relação de crédito sobre o valor (<i>loan-to-value ratio</i>) típica dos empréstimos hipotecários para a habitação?	From 70% to 80%.
Qual é o comprometimento de renda típico nos créditos hipotecários habitacionais?	25%
Que porcentagem dos créditos contratados durante o ano recebeu algum tipo de subsídio?	0%

However, during the second half of 2024, some banks faced difficulties funding loans and sustain the pace of lending, leading to a generalized increase in interest rates. Initially, loans were issued at rates of around 5% (with installments indexed to inflation), but by the end of 2024 some banks were already offering real rates of about 8%. Securing adequate funding—potentially through the development of a secondary market and securitization mechanisms—remains the primary challenge for Argentina’s banking system.

Urban land market

With regard to the land market, challenges persist stemming from real estate speculation and a lack of proactive urban growth dynamics—issues that could be mitigated through coordinated federal urban planning and practical land-use management instruments.

Major urban areas (Greater Buenos Aires, Córdoba, Rosario, Mendoza, and Tucumán) concentrate the largest share of the population, thereby intensifying pressure on land use—particularly on prime parcels in central areas with access to infrastructure and employment.

Urban expansion has largely occurred on the periphery, where land is less expensive but lacks full-service provision. This pattern results in dispersed and fragmented urbanization, with high costs for extending infrastructure and public transport networks. For example, in Buenos Aires, the urbanized footprint has doubled in recent decades, but at lower densities than in the past.

There is a need to develop a robust institutional framework for the systematic planning and production of affordable urban land to combat the socio-spatial segregation of lower-income groups, who are often pushed into informal settlements.

The recent elimination of the national programs for land production and technical assistance and training in land policy—formerly under the Ministry of Territorial Development and Habitat—creates an opportunity for provinces and, more specifically, municipalities to exercise their regulatory authority in this area. Through instruments like urban land value capture, land value taxes, and betterment levies, they can take a more proactive role in guiding urban growth and ensuring an adequate supply of land to meet the population’s need for sustainable urban development.

Informality, inclusion, and sustainability

In 2024, the discussion on informality and inclusion in terms of housing access deepened, particularly following the national government’s decision to discontinue financing housing and habitat programs. This is expected to prompt greater efforts by local governments to align socio-urban integration programs with financing instruments tailored to informal households. While labor formalization remains a structural challenge—the share of informal workers rose from 24.3% to 35.1% between 2023 and 2024—alternative solutions such as guarantee funds and microfinance programs are being explored to facilitate access to credit for informal-sector households. These developments remain incipient but signal a shift toward recognizing the need to design financial products aligned with the realities of a majority engaged in the informal economy.

Summary of indicators

Indicator	Year 2024
Inflation rate	118%
Unemployment rate	6.4%
Informality rate in the labor market	36.1%
Outstanding housing mortgage credit / GDP	0.2%
Public investment in housing/GDP	5.9%
<i>Banking spread</i>	5.5
Quantitative deficit/urban housing stock	16.8%
Qualitative deficit/urban housing stock	4.9%
Homeownership rate	67%
Urban housing affordability index (purchase)	12.3
Urban housing affordability index (rental)	71.1%
Rate of change in the house price index (national)	–4.7% (reference city: Autonomous City of Buenos Aires)
Rate of change in the rent price index (national)	17.5% (reference city: Autonomous City of Buenos Aires)
Households without formal title relative to housing stock	1.6%

When it comes to sustainability, there is growing interest in incorporating energy-efficiency criteria into housing policies, though these efforts remain fragmented. The convergence between decarbonization targets in the energy sector and housing policy creates opportunities to promote residential retrofitting programs, with improvements in thermal insulation and efficient consumption. Integrating environmental criteria into housing production not only fulfills international climate commitments but also brings direct benefits to the most vulnerable households by reducing energy expenditures and improving residential comfort. Consolidating a national regulatory framework that brings together these disparate initiatives will be key to scaling their impact in the coming years.

Outlook, trends, and projections

The residential housing market faces the challenge of navigating a bottleneck created by the expansion of mortgage funding and lending volumes—still constrained by funding limitations—alongside rising construction costs that restrict the supply of new housing. As a result, there is a potential risk of a housing shortfall that could put upward pressure on prices, further eroding affordability.

The development of new funding instruments—such as secondary mortgage markets, bank financing for developers to build new housing, and mortgage financing for the purchase of units under construction—will be essential under this emerging framework.

In 2025, mortgage lending could see a threefold increase over 2024 levels.



Barbados

By Jeremy Stephen

Summary

- Policy intent exists, but the housing sector lacks timely, granular metrics—especially residential GFCF, program-level public housing outlays, and updated distributional indicators (poverty, inequality, underemployment, informality).
- Mortgage affordability remains challenged despite an improved risk appetite among lenders in the residential housing market. This is mostly due to wage growth lagging behind baseline inflation. Households, therefore, continue to grapple with the cost of living, unable to respond fully to the change of sentiment by credit institutions despite some evidence to the contrary.
- Younger workers are delaying the purchase of homes more than previous generations due to increasingly constrained finances. Consequently, the shorter loan period and greater debt servicing costs all make housing finance less affordable to older first-time homeowners. The mortgage market in Barbados may, therefore, become more inaccessible over time without clear policy intervention.
- Rapid housing production is required to reduce the gap between supply and demand. Hope Inc., the sole government-owned developer, reportedly produced only 159 houses in the period under consideration against a waitlist of 20,000 applications.

incomplete pass-through—perhaps reflecting risk pricing or bank funding structures. Nominal GDP is estimated at roughly BBD 14.3 billion (USD 7.2 billion) in 2024, with GDP per capita Purchasing Power Parity near BBD 45,200. In principle, such conditions support housing demand and financing capacity; in practice, the assessment is constrained by limited, timely information on residential gross fixed capital formation. The signal is broadly benign while the magnitude of the investment impulse—and the supply response—remains imprecise.

Labor-market and demographic indicators point to structural pressures that will shape medium-term housing needs. Participation of around 62.3% and unemployment near 7.9% (both for 2023) suggest a recovering, not fully tight, labor market. The population is small (approximately 282,467 in 2024), and 16.5% of the population is over age 65, with 73,571 households and an average size of about 2.9. These features imply steady demand for smaller, accessible units. Urbanization of roughly 31.4% also raises the salience of transport and serviced land in affordability outcomes. Policy intent exists (a national housing policy is in place), yet the absence of a current, comprehensive plan, along with gaps in recent public-investment series, underemployment, and data on informality, impede prioritization and program appraisal. Strengthening statistical coverage—especially for residential investment and housing-related expenditure—would turn a generally encouraging narrative into one that is also measurable, and therefore actionable.

General overview: Macroeconomic and demographic aspects

Barbados' recent macroeconomic profile shows subdued end-2024 inflation (0.4%) alongside a stable Central Bank of Barbados policy rate of 2.0%. Deposit rates remain exceptionally low (about 0.15%), while average lending rates were markedly higher (5.2% in 2023), suggesting

Access to housing for the social interest segment

Access to housing remains a challenge for low-income families, with the National Housing Corporation reporting a waitlist of 20,000 applications. New housing production has been the main model to address this deficit. However, much of the government's effort over the past three

years has been focused on post Hurricane Elsa disaster relief. Hope Inc., the entity charged with the production of affordable housing, has made little progress in reducing that backlog. The National Housing Corporation (NHC) has moved away from direct production and now utilizes public-private partnerships as its main model to add to the housing pool. The NHC provides the land and buyers, and the developer provides the financing and construction.

Private sector production focuses primarily on the higher middle- and high-income levels of the market, with a notable private sector thrust to meet the short-term rental tourist market, pricing locals out of the rental market. An emerging trend is the rental of rooms with communal kitchen and bathroom facilities by low-income families. A full rollout of the Rent to Own program by the National Housing Corporation would provide a counter to both these trends.

A significant portion of low-income households use incremental construction to acquire their homes. Establishing a line of credit with a building material supplier and small home improvement loans is common. Homes sometimes start from makeshift materials and are improved to more durable materials over time, or may start with only one or two rooms and expand over time as the family grows or as finances improve.

Housing market

Barbadians have been conditioned to strive toward homeownership or owning a “piece of the rock.” This is reflected in ownership at over 60% despite the high construction costs. Individual homeowners still dominate home building, while there is a growing segment of private developers of turn-key solutions. The final cost of housing is largely dependent on choice and quality of finishes, and location to a significant degree.

Government intervention is focused on increasing access to the market for low-income households via indirect land subsidies to lower the overall cost of the housing solution, and public-private partnerships to reduce a backlog of 20,000 applications for housing. Another strategy has been to reduce lot sizes to increase affordability. Twenty years ago, the typical lot size averaged 5,000 to 8,000 square feet, but it has been reduced to a range of 3,500 to 5,000 square feet.

The rental market has been changing in the post COVID-19 era. The promotion of a digital nomad visa has attracted

foreign remote workers seeking long-term rentals, while shifts in tourism have increased demand for short-term Airbnb rentals. These trends are reportedly reducing the supply of units available to local residents and driving up prices, placing pressure on households and limiting access to the rental market.

Housing mortgage market

The mortgage market is dominated by commercial banks and credit unions on the lending side. Barbados has experienced a return to economic growth for the country following the COVID-19 pandemic, although inflationary pressures from that period remain a concern. Despite a tapering of inflation in 2024, construction costs for residential properties continue to climb steadily. This has become one of the main constraints on housing affordability since 2021.

By contrast, average interest rates on loans stood at 5.2% during the period under review, a notable decline in rates from pre-2018 levels of around 6.6%, supporting mortgage affordability. Banks indicate anecdotally that women account for a larger share of borrowers, although there are no targeted or preferential programs for women.

The Central Bank of Barbados reported that in 2024, outstanding residential mortgages increased by 0.4% compared to the previous year. Locally operated banks approved 35% more new mortgages (commercial and residential) than in 2023, as lending costs continued to decline. This was also accompanied by a reduction in the non-performing loan ratio for residential mortgages, a trend that began in 2021.

Financial institutions now operate in a more favorable market environment, supported by declining credit risk and stabilized unemployment. However, improved willingness to lend is still challenged by the high real estate prices, in particular, amid rising living costs and flat wage growth in recent years.

Overview of the mortgage system

What funding sources support housing credit?	Deposits.
What is the primary funding source, and what is its share of the total housing credit stock?	N/F
What types of institutions provide housing loans?	
Which is the main mortgage institution, and what is its market share?	Commercial banks, Credit Unions, other small financial institutions.
What is the most common type of mortgage product for home acquisition?	Commercial banks are the main mortgage institutions and hold 46% of the market share.
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	N/F
	Fixed (6%) and Variable (at 5% to 5.5%).
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	95%
What is the typical income commitment for housing mortgage loans?	Typically, 35% of income.
What percentage of loans issued during the year received some type of subsidy?	N/F.

Urban land market

The Urban Corridor is home to the two extremes of housing conditions in the country. At one end is the “Platinum Coast” and at the other end, areas identified as far back as 1937 as having the worst housing conditions and in need of urgent regeneration.

The urban land market is predominantly controlled by real estate developers, with prices determined by supply and demand. Hope Inc. has become the primary provider of new affordable housing; but the rate of production needs to increase significantly to meet the reported waitlist of 20,000 applicants reported by the National Housing Corporation.

The government has shifted away from sites and services programs to turnkey solutions with indirect subsidies on the cost of land to meet the demands of affordable housing. Whereas government developments utilize densification strategies, the same cannot be mandated for the private sector; it is only required that developments occur in areas zoned for residential development as per the Physical Development Plan.

As a result, despite the existence of a defined urban corridor, there are limited mechanisms to prevent further urban sprawl outside the defined corridor under the current framework. There is also no indication of plans to revise the corridor’s current configuration.

Informality, inclusion, and sustainability

Informality in Barbados is seen primarily in tenancies where households rent the land and construct their own homes. In these areas, there is no formal subdivision of the land until the tenants qualify to purchase. Consequently, the provision of utility services and road construction is sporadic rather than formally planned from the outset.

The Tenancies Freehold Purchase Act (Cap 239B) provides the mechanism through which these households obtain security of tenure. Tenants are incentivized to purchase the land at a fixed price of ten cents per square foot for plantation lands. For privately owned tenancies, qualified tenants pay a maximum of USD 2.50 per square foot, with a government subsidy covering the difference between that amount and market value.

Despite limited data, there is evidence of homelessness and squatting, with individuals occupying both private and public lands or properties.

No specific policies exist to promote financial inclusion. Access to financing depends largely on a potential borrower’s ability to repay. The government has been advancing efforts toward green housing and greater sustainability. Currently, 100% of the housing stock has access to electricity, and 99% to both water and sanitation.

Home available from Hope Inc. were intended to include a component of financing tied to the generation of electricity via rooftop photovoltaic panels; however, that component of the program has not yet been implemented.

Summary of indicators	
Indicator	Year 2024
Inflation rate	0,4%
Unemployment rate	7,9%
Informality rate in the labor market	-
Outstanding housing mortgage credit / GDP	26,7%
Public investment in housing/GDP	-
<i>Banking spread</i>	5,05 pp
Quantitative deficit/urban housing stock	-
Qualitative deficit/urban housing stock	-
Homeownership rate	63,9%
Urban housing affordability index (purchase)	-
Urban housing affordability index (rental)	-
Rate of change in the house price index	-
Rate of change in the rent price index	-
Households without formal title relative to housing stock	-

ter initiative could induce deeper strain on public infrastructural resources, leading to a slip in the quality of local housing stock. Government policies are, however, expected to maintain focus on improving affordability through indirect subsidies based on household income and the promotion of more sustainable urban development with a focus on green energy.

Furthermore, there is the potential for increasing housing informality if younger people are unable to service a mortgage due to the high cost of living, despite the willingness of financial institutions to lend. This, combined with the slow rate of social housing construction and a shrinking and increasingly expensive rental pool, might push younger residents to seek unconventional means of satisfying their shelter requirements.

Outlook, trends, and projections

Barbados' medium-term economic prospects look promising. The country is predicting stabilized but low GDP growth over the next five years, a stable currency and political environment, and historically low unemployment. However, as a small open economy, inflation will continue to be largely determined by global economic factors. The general cost of living is therefore expected to remain high, challenging the average household even in the face of continued public and private sector capital investment.

It is anticipated that housing demand will continue to rise in Barbados, driven by new household formation; continued promotion of the "Digital Nomad Visa;" and the recent free movement in the CARICOM agreement¹ with the countries of Belize, St. Vincent and the Grenadines, and Dominica. The lat-

¹ The agreement establishes full free unrestricted movement for their citizens. Barbados is expected to have the greatest net immigration.



Brazil

By Henrique Bottura Paiva

Summary

- Rising employment and incomes exerted upward pressure on short-term housing demand.
- Restrictive monetary policy kept the cost of credit high, with a high Selic rate and wide interest rate spreads, constraining financed purchases and exerting pressure primarily on the rental market.
- The relaunch of the Minha Casa, Minha Vida program, with BRL 9.9 billion allocated in 2024, signals political priority for social housing—though still well below the budget contributions seen in 2010–2015. Its effectiveness is challenged by accelerating property prices and the budget scale needed to reach the lowest-income groups, characterized by widespread labor informality and where the housing deficit is concentrated.
- On the financing side, following new regulatory restrictions on market instruments, traditional funding sources—particularly the Brazilian Savings and Loan System (SBPE)—regained prominence, accounting for 48.5% of financing in 2024.

General overview: Macroeconomic and demographic aspects

In 2024, the Brazilian economy operated under a restrictive monetary policy regime, with the Selic rate at 12.25% despite relatively controlled inflation of 4.83%. This configuration reflected the monetary authority's strategy of maintaining high interest rates to contain inflationary pressures and anchor economic expectations.

The gap between the deposit rate (7.7%) and the average lending rate (40.225%) reached particularly elevated levels, reflecting

prohibitively high borrowing costs. With a GDP of USD 2.171 trillion and a per capita income of USD 22,272 in purchasing power parity terms, Brazil has consolidated its position among upper-middle-income economies. Housing investment, accounting for 7.51% of gross fixed capital formation, underscores the sector's relative importance within the national economy.

Labor market indicators showed consistent recovery, with unemployment declining to 6.2% and labor force participation reaching 62.6%, signaling gradual improvement relative to previous years. However, informality remained high at 38.6%, reflecting structural challenges that directly affect access to formal credit. The underemployment rate of 4.8% further highlights that a significant share of workers still face precarious employment conditions. Meanwhile, average household income commitment for debt service obligations reached 25.95%, pointing to a concerning level of indebtedness.

Income distribution and poverty indicators reveal enduring structural challenges conditioning housing access. With a poverty rate of 31.6% and a Gini coefficient of 0.506, significant segments of the population remain socioeconomically vulnerable despite overall economic growth. High income concentration, widespread informality, and a substantial share of income devoted to debt servicing create a context of multiple forms of exclusion that particularly constrain access to adequate housing.

Although Brazil's housing finance system operates with subsidized rates, high interest rates limit access to mortgage credit and intensify pressure on the rental market, undermining the sustainability of housing access for large segments of the population.

Access to housing for the social interest segment

The relaunch of the Minha Casa, Minha Vida (MCMV) program was consolidated in 2024 with a significant allocation of BRL

9.9 billion, signaling political commitment to social housing. However, doubts remain regarding the program's effectiveness in the face of rising property prices, as annual price growth accelerated from 3.7% in 2023 to 7.0% nationwide in 2024. Although rental price adjustments slowed somewhat, they remain elevated—declining from 16.2% in 2023 to 13.5% in 2024—well above income growth.

Despite declining unemployment and rising median urban household income (BRL 72,118), inequality remains high (Gini 0.51), and 31.6% of the population remains below the poverty line. Informality (38.6% of the labor force) continues to limit direct access to formal markets.

The financial structure remains a significant barrier. The maintenance of a high policy rate (12.25%) combined with an interest rate spread of 32.5 percentage points increases financing costs, even indirectly, and restricts access to formal credit. A large share of household income is allocated to servicing various debts, particularly consumer debt, further constraining housing access. It is worth highlighting that although the housing finance system (SFH) operates with regulated and subsidized rates, the Selic rate affects the system indirectly.

This context reinforces reliance on subsidized programs as the primary channel of housing access for low-income households. However, the current government program remains focused exclusively on ownership, a modality that remains beyond the reach of most families. Formal mortgage credit reaches, at best, households in the third income bracket. As a result, the poorest 20% remain structurally excluded from formal financing systems and depend either entirely on full subsidies (MCMV Band 1) or informal alternatives.

Self-construction remains the principal mode of social housing production, contributing to the persistence of a qualitative housing deficit—estimated at over 26 million inadequate dwellings (FJP 2024, based on 2022 data).

Housing market

In 2024, housing price dynamics revealed that pressures differed between the sales and rental segments. Sale price indices increased by 6.99% nationally—a moderate increase compared with an inflation rate close to 5%. São Paulo followed a similar pattern, recording a 6.56% increase in sale prices.

The rental market exhibited significant structural tensions, with national rental price growth reaching 13.5%—more

than double the appreciation observed in the sales segment (Fipe-Zap index). In São Paulo, rental prices rose by 11.51%. This pattern reflects improved labor market conditions stimulating housing demand, combined with high interest rates limiting access to mortgage credit. The resulting forced shift in demand from ownership to rental intensified rental market imbalances and pressured rental profitability, particularly for families facing rising housing costs despite improved employment levels.

An important indicator of rising employment and incomes has been the increase in new household formation. The total number of urban households reached 68.20 million in 2024, compared with 64.77 million the previous year—an increase of 5.15%. However, this seemingly significant growth should be interpreted cautiously due to methodological differences between data sources: 2023 data were derived from the Demographic Census (universal coverage), while 2024 data are based on the Continuous National Household Sample-Based Survey (PNAD), which uses a different methodology.

Mortgage market

Brazil's mortgage market showed signs of continuity of the trends highlighted in the 2024 Yearbook, with notable adjustments driven by regulatory changes and evolving macroeconomic conditions. The outstanding balance of bank housing credit reached BRL 1.167 trillion in December 2024, equivalent to approximately 10% of GDP.

Market structure remains highly concentrated, although with modest signs of change. Caixa Econômica Federal continues as the leading institution, though its market share declined slightly from 68.3% in 2023 to 67.1% in 2024.

Funding sources of mortgage loans underwent moderate reconfiguration. As anticipated in the previous edition of the Yearbook, Central Bank resolutions restricting the use of certain tax-exempt market instruments began to take effect. The share of savings deposits (SBPE) as the primary funding source increased from 43.9% in 2023 to 48.5% in 2024, indicating a strengthening of traditional funding sources at the expense of market-based instruments such as LCIs.

From a portfolio quality perspective, the sector proved resilient. The delinquency rate remained at low and sound levels, declining slightly from 1.44% in 2023 to 1.09% in 2024. This suggests that despite growth deceleration and high interest rates, the repayment capacity of households accessing formal mortgage credit remained robust.

Overview of the mortgage system

What funding sources support housing credit?	The primary funding sources are private savings accounts (SBPE) and compulsory savings deposits by formal-sector workers, such as the Length-of-Service Guarantee Fund (FGTS), in addition to capital market instruments (such as LCI, LIG, and CRI).
What is the primary funding source, and what is its share of the total housing credit stock?	The primary source of housing loans is savings deposits (SBPE). 48.5%
What types of institutions provide housing loans?	Public or private commercial banks (mainly five: Caixa, Bradesco, Itaú, Santander, and Banco do Brasil).
Which is the main mortgage institution, and what is its market share?	Caixa Econômica Federal (CEF), with a 67.2% market share.
What is the most common type of mortgage product for home purchase?	Variable-rate mortgage (VRM) with full amortization; however, loans indexed to the TR (Taxa Referencial) are more commonly used. The TR is not a price index and exhibits much lower volatility than inflation.
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	11.36%, variable.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	67.8%
What is the typical income commitment for housing mortgage loans?	26.3%
What percentage of loans issued during the year received some type of subsidy?	85.8%, considering the Central Bank's classification between market-based rates and regulated rates; 100%, considering that all interest rates across the entire Housing Finance System (SFH, for its initials in Portuguese) incorporate implicit subsidies.

Urban land market

Brazil has consolidated important regulatory frameworks for urban land management, incorporating a range of instruments designed to ensure compliance with the social function of urban property. These include the Progressive Urban Property Tax Over Time (IPTU, by its Portuguese acronym); the Mandatory Subdivision, Construction, or Use (PEUC, by its Portuguese acronym), expropriation with compensation in public debt bonds, and the Onerous Grant of the Right to Build, already widely regulated.

The principal challenge identified lies in the significant gap between the sophistication of the legal framework and its effective implementation at the municipal level.

The city of São Paulo provides an example of attempts to deploy such instruments, with varying effectiveness over time and emerging tensions between regulation, market dynamics, and housing needs. Measures include the legal designation of Social Interest Areas through Special Zones of Social Interest (ZEIS), as well as densification policies implemented through Urban Transformation Structural Axes, particularly along public transport corridors.

São Paulo applies relevant fiscal instruments such as the progressive IPTU over time, which may reach up to 15% for idle

properties, and the Real Estate Transfer Tax (ITBI, by its Portuguese acronym) of 3.0% on property transactions. However, although the tax framework is designed to discourage speculative land retention, the effectiveness of these mechanisms remains limited, contributing to the persistence of vacant or underutilized land in high-value areas.

Informality, inclusion, and sustainability

Labor and housing informality create a vicious cycle that reinforces urban precarity. Informal workers, lacking access to credit, resort to equally informal housing solutions, increasing the stock of inadequate dwellings and complicating land regularization processes. Estimates indicate that Brazil's qualitative housing deficit—which includes structural deficiencies, lack of infrastructure and basic services, and land inadequacy—exceeds the quantitative deficit by a factor of four (FJP). This reality underscores that Brazil's housing challenge extends beyond a shortage of units and encompasses issues of quality, safety, and adequacy.

The gender and racial dimensions of Brazil's housing deficit reveal deep and systemic inequalities. Women, who represent 51.48% of the population, face a dual disadvantage: they

account for 61.5% of the quantitative housing deficit but hold only 27.9% of housing finance contracts. For the Afro-descendant population, which represents 55.5% of the total population, the situation is even more severe: they account for 70.9% of the quantitative deficit, yet their participation in mortgage credit is not even measured.

Summary of indicators	
Indicator	Year 2024
Inflation rate	4.8%
Unemployment rate	6.2%
Informality rate in the labor market	38.6%
Outstanding housing mortgage credit / GDP	9.93%
Public investment in housing/GDP	0.79%
Spread bancário	32.5%
Déficit quantitativo/estoque de domicílios urbanos	9.1%
Déficit qualitativo/estoque de domicílios urbanos	38.9%
Taxa de propriedade	71.3%
Índice de acessibilidade de moradia urbana (compra)	3.5
Índice de acessibilidade de moradia urbana (aluguel)	38.8%
Taxa de variação do índice de preços de venda (nacional)	7.0%
Taxa de variação do índice de preços de aluguel (nacional)	13.5%
Produção habitacional concluída no ano em relação ao déficit habitacional quantitativo	1.55%
Domicílios sem titulação formal em relação ao estoque de domicílios	4.4%

The relaunch of the Minha Casa, Minha Vida (MCMV) program's Band I (the FGTS-financed segment of the program never ceased operating) and the expansion of subsidies represent a significant government effort to mitigate this exclusion. However, the effectiveness of these programs remains partially constrained by the very informality they seek to address, as access to financing modalities still depends on the ability to demonstrate a minimum level of formal income.

In terms of sustainability, Brazil has made significant progress in expanding access to basic services: 99.9% electricity coverage, 86.3% water, and 71.4% sanitation. Only 1.7% of households lack an exclusive bathroom. However, environmental sustainability in the construction sector still lacks a coordinated policy framework. Although green certifications are available, there is no specific regulation governing green mortgages, and sustainable policies remain fragmented across individual municipalities, with no unified and consolidated national policy in place.

The recent initiative to install solar panels in housing units under the Minha Casa, Minha Vida (MCMV) program represents an initial step toward greater sustainability in the housing sector. While still modest relative to the scale and complexity of the challenge, the measure signals an intention to incorporate environmental criteria into public housing policy.

Outlook, trends, and projections

Demand for new housing is expected to remain strong, driven not only by income growth but also by demographic and structural factors, such as the continued decline in average household size—from 3.31 to 2.79 persons between 2010 and 2022—which may generate additional demand for housing units even in a context of slower population growth.

Projected economic growth, although modest, together with improving employment indicators, should support housing demand. The key question for the coming years is whether this latent demand will translate into effective demand. Without a proportional increase in supply, the likely outcome is continued strong appreciation in sale prices and, above all, rental prices, which have risen well above inflation—signaling a growing affordability crisis.

Even for households participating in the formal economy, housing costs are projected to become an increasingly significant challenge, whether due to difficulties in saving for a down payment, qualifying for long-term credit given existing debt levels, or bearing the weight of rent within household budgets. This situation is compounded by the concentration of supply in middle- and upper-income segments, which generally remain more attractive to developers.

Looking ahead to 2025 and beyond, overcoming Brazil's housing challenge will depend on a dual strategy: ensuring the sustainability of the formal market while simultaneously developing inclusive housing policies that provide access alternatives beyond the predominant model of financed homeownership, on a sufficient scale to serve the vast segment of the population that currently builds housing outside the formal system.

Current public policies, although well calibrated in several respects, risk operating only at the intersection between these two markets. The Minha Casa, Minha Vida Band 1 program, for example, holds significant potential but currently offers insufficient coverage to reach the lowest-income groups, where informality predominates. Moreover, its financing model—dependent on the federal budget—tends to face constraints amid successive fiscal adjustments within the broader macroeconomic environment.



Chile

By Slaven Razmilic

Summary

- The Chilean economy continues to post modest growth rates, driven primarily by weak investment, with housing investment among the weakest-performing components.
- Housing affordability has become one of the most significant public policy challenges, despite sustained efforts through housing policy.
- The sustainability of housing policy is increasingly challenged by rising unit costs in a context of fiscal constraints.
- Regulatory reform and streamlining are essential to reduce costs and accelerate both public and private housing investment, thereby reducing the deficit and improving affordability.

General overview: Macroeconomic and demographic aspects

Chile's economic performance improved over the course of 2024, closing the year with 2.6% growth, the highest in three years, though still below global growth and that of emerging economies. Growth was driven primarily by export dynamism (+6.6%), while investment recorded a second consecutive year of contraction (-1.4%).

Inflation fluctuated around 4.5% annually, slightly above the Central Bank's target range but well below the peak levels seen in late 2022 and early 2023, allowing for normalization of monetary policy and a gradual reduction in short-term interest rates. The recovery has been slower than expected, and the labor market remains weak, with unemployment hovering around 8.5% and employment levels yet to return to pre-pandemic levels.

Medium-term prospects are more favorable but remain insufficient relative to existing gaps and citizens' expectations. Political debate has centered on whether the economy can sustainably grow at annual rates of 4%–5% in a context marked by accelerated population aging, rising fiscal pressures, and a political-institutional environment that—although comparatively robust and stable—operates within a regulatory framework whose complexity and fragmentation have tended to slow entrepreneurship and investment.

Access to housing for the social interest segment

Access to social housing in Chile during 2022–2024 has been strongly shaped by the implementation of the so-called Emergency Housing Plan, an effort involving the largest volume of public investment on record and exceeding USD 3.5 billion in 2024.

In Chile, support for social housing primarily takes the form of direct subsidies covering between 10% and 95% of a home's purchase value, depending on the program. Rental support programs remain incipient, and there are no programs that directly subsidize mortgage financing.

However, the unprecedented fiscal effort associated with the emergency plan will, at best, result in the completion of 260,000 housing units over four years (2022–2025)—a volume well below the annual pace achieved in previous decades (by roughly 25%), which at the time helped reduce the housing deficit (currently stagnant at over 500,000 units).

The increase in households living in informal settlements (over 120,000 in 2024) and the high financial burden of housing for both renters and indebted households underscore the need to streamline costs and reform regulations—both technical and urban planning—to optimize fiscal spending in the sector and decisively increase housing production to reduce the deficit and improve affordability.

Housing market

Chile’s housing market operates within a highly regulated environment, with the private sector playing the dominant role in production and the public sector maintaining substantial participation in financing access to housing.

Despite high standards of supply, financial market depth, and sustained fiscal effort, access to housing has deteriorated persistently over the past 15 years. The housing deficit remains stagnant, and a significant gap persists between average incomes and housing prices.

The average transaction price of housing resumed its upward trend in 2024 (+3.0%) after contracting in 2022 and 2023. In recent years, housing production has become heavily concentrated in state-supported solutions, with housing programs reaching unprecedented levels of public investment. Nevertheless, this higher spending has not translated directly into greater production of social housing, which currently stands around 25% below levels reached 15 years ago.

Total housing investment has been significantly affected in recent years. The 86,013 housing units whose permits were approved in 2024 represent the lowest figure in the statistical

series, marking a new historical low, below the previous floor reached in 2023. This contraction reflects rising costs, implementation challenges in public programs, and a near standstill of unsubsidized housing development—a segment still absorbing the effects of the negative demand shock (stemming from the pandemic and macroeconomic adjustments) and the resulting inventory overhang in that segment.

Mortgage credit market

In 2024, Chile’s mortgage market showed no significant changes and remained particularly subdued. Interest rates remain above immediate post-pandemic levels but within the range observed over recent decades, standing at 9.4% annually (4.9% in real terms, or 4.5% above inflation).

The rate increases observed between 2020 and 2021, together with the sharp inflation spike in 2022 (12.8%), significantly impacted loan originations, which in 2024 stood at approximately 80,000 transactions—around 30% below the 2014–2019 period average. The stabilization of inflation and gradual adjustment of long-term interest rates point to modest expansion in 2025 following a year of stagnation in 2024.

Overview of the mortgage system	
What funding sources support housing credit?	Private sources, such as deposits and debt issuance by commercial banks. To a lesser extent, mutual mortgage loans acquired by institutional investors, and to a very marginal degree, mortgage bonds and securitized bonds.
What is the primary funding source, and what is its share of the total housing credit stock?	Commercial banks originated 86.5% of all mortgage loans in 2024, primarily funded through the issuance of standard bank bonds.
What types of institutions provide housing loans?	Commercial banks, mutual mortgage administrators, and cooperatives.
Which is the main mortgage institution, and what is its market share?	Banco Santander, with a 20.6% share of mortgage loans as of December 2024.
What is the most common type of mortgage product for home purchase?	Fixed real-rate mortgage loans plus the inflation-adjustment coefficient, with terms from 20 to 30 years.
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	The average variable-rate mortgage loan in 2024 carried an annual rate of 9.4% (4.9% real rate plus 4.5% inflation). All loans are indexed to inflation; therefore, no mortgage loan is truly fixed-rate. Chile did not offer subsidized-rate instruments in 2024.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	78.6% (2024 average).
What is the typical income commitment for housing mortgage loans?	25%
What percentage of loans issued during the year received some type of subsidy?	31.9% (this is a cap, assuming all state subsidies for middle-income homebuyers included associated complementary loans).

Chile's mortgage market remains heavily concentrated in loans issued by commercial banks and financed primarily through resources raised by the banking system itself via the issuance of bonds. This structure accounted for 86.5% of loans originated in 2024, a share that has remained stable in recent years.

Financing conditions have also remained stable, with an average Loan-to-Value ratio of 78.6% and an average maturity of 26.2 years.

Urban land market

Land has played an increasingly significant role in the cost structure of residential development projects, rising from an average of 13% in 2012 to 18% in 2022. Although this trend has recently stabilized as a result of the real estate market contraction, no reduction in its impact on housing cost escalation is anticipated in either the medium or long term.

The Social Integration in Urban Planning Law, in force since 2022, allows for the incorporation of regulatory incentives granting greater density, height, and buildability to projects that include a share of public-interest housing. However, implementation of the mechanism remains incipient, and the calibration of incentives has been imperfect, limiting their ability to offset the increasing development constraints embedded in planning instruments.

Informality, inclusion, and sustainability

Residential development in Chile is predominantly formal, both in construction activity and in financing provided to developers and buyers. Informality remains largely marginal, and its incidence had been steadily declining until the mid-2010s. However, beginning in 2015—and particularly in 2020—there was a sharp increase in the number of households living in informal settlements, which exceeded 120,000 in 2024.

Notwithstanding this trend, and reflecting the still high overall level of formality, access to basic services in urban areas remains widespread (electricity: 99.7%; water: 98.4%; sanitation: 99.3%). These indicators are complemented by increasingly stringent technical standards and the gradual adoption of energy-efficiency certifications.

Summary of indicators

Indicator	Year 2024
Inflation rate	4.5%
Unemployment rate (December)	8.0%
Informality rate in the labor market	26.3%
Outstanding housing mortgage credit / GDP	29.3%
Public investment in housing/GDP	1.1%
Banking spread	2.03%
Quantitative deficit/urban housing stock	-
Qualitative deficit/urban housing stock	-
Homeownership rate	62.9%
Urban housing affordability index (purchase)	-
Urban housing affordability index (rental) (2022)	-
Rate of change in the house price index (national)	3.0%
Rate of change in the rent price index (national)	-
Households without formal title relative to housing stock	-
Hogares sin titulación formal en relación con la cantidad de hogares	-

Outlook, trends, and projections

The provision of public-interest housing continues to play a highly significant role in residential investment. However, high unit costs and management challenges are preventing the delivery of a sufficiently large annual volume of units to reduce the housing deficit and improve affordability indicators.

Subsidies currently extend to households up to the eighth income decile—a coverage that could be reconsidered to better target lower-income segments and deploying financing support mechanisms for middle-income households.

Looking ahead, the fiscal effort associated with housing policy will be difficult to sustain given current fiscal constraints. Taken together, these factors create a particularly challenging outlook for Chilean housing policy in the coming years.

The unsubsidized housing segment posted only a marginal recovery in 2024, and no acceleration in the pace of recovery is anticipated in the near term. As a result, real estate investment is expected to remain subdued, limiting its contribution to broader economic reactivation.

That said, the relative strength of Chile's macroeconomic fundamentals, the depth of its financial market, and its political-institutional stability point to a slow but steady path forward in which housing investment will remain important, albeit without significant dynamism. The main challenge lies in affordability, as the difficulties in accelerating production suggest that barriers to access may persist—or even worsen—absent meaningful regulatory adjustments.



Colombia

By María Cristina Rojas E. and Adriana Ivonne Cárdenas

Summary

- Key indicators such as inflation, interest rates for home purchases and residential construction, and the country risk spread declined between 2023 and 2024. In the labor market, indicators also improved, with the unemployment rate falling to 9.1% in December 2024, compared to 10.2% in the same month of 2023. Although the number of employed persons increased, labor informality remains a persistent challenge. According to DANE, 56.8% of employed persons work in the informal sector.
- Both the qualitative and quantitative housing deficits declined from 2023 to 2024, in absolute terms and as a share of the total housing stock. In particular, the qualitative deficit fell from 2,299,000 households in 2023 to 2,077,000 in 2024; in urban areas, it declined from 17.6% in 2023 to 14.5% in 2024. The share of households with access to electricity, water, and sewerage also increased relative to 2023. The reasons for the reduction in the qualitative deficit are not entirely clear, but this represents a noteworthy finding. The quantitative deficit also declined from 431,000 households in 2023 to 402,000 in 2024; in urban areas, it fell from 3.3% in 2023 to 2.8% in 2024. Both completed housing units and transactions of new and existing homes increased, reaching 190,800 and 179,200, respectively, in 2024 (vs. 184,410 completed units and 172,900 transactions in 2023).
- However, with respect to new housing construction, DANE reported that 171,576 housing units began construction in 2024, compared to 201,772 in 2023; thus, the annualized indicator of housing starts declined by 15% in 2024.
- The housing affordability indicator increased in 2024, resulting in a higher share of household expenditure allocated to both home purchase and rental.

General overview: Macroeconomic and demographic aspects

By the end of 2024, the Colombian economy recorded a growth rate of 1.7%, representing stronger momentum than that observed in 2023 (0.7%).

In terms of prices, 2024 showed a decline in inflation, with the consumer price index (CPI) standing at 5.18% in December 2024, compared to 9.28% in 2023.

Lower inflation enabled the Banco de la República to continue its strategy of reducing interest rates.² The policy interest rate closed 2023 at 13% and, twelve months later, stood at 9.5%. In tandem with the central bank's lower policy rate, other market interest rates also exhibited a downward trend. This was the case for mortgage interest rates. By December 2024, the (weighted average) interest rate for non-social housing (No SIH) purchases was 11.3% effective annual rate (EA), whereas one year earlier it had stood at 16.8%.

With respect to the labor market, indicators also improved. On the one hand, the unemployment rate stood at 9.1% in December 2024, compared to 10.2% in the same month of 2023. This was due to an increase in the employed population, which rose from 22.87 million to 23.6 million persons. Although unemployment declined and employment increased, labor informality remains a challenge. According to DANE, 56.7% of employed persons work informally. This means they do not make contributions to the social security system (health insurance and pension savings) through their employment relationship.

Colombia's total population projected for 2024 was estimated at 52.7 million persons, of whom 76.6% reside in

² The Banco de la República is Colombia's central bank.

urban centers. Similarly, the country is estimated to have a total of 18.5 million households, implying an average household size of 2.9 persons (2.8 in urban centers and 3.0 in rural areas). Although the total population continues to grow year after year, other demographic indicators signal significant changes. On the one hand, the number of births in 2024 reached 445,000, representing a 13.7% decrease compared to 2023. On the other hand, the share of the population aged 65 and over stood at 10.3% in 2024, compared to 9.87% in 2023, indicating population aging at a relatively accelerated pace.

With respect to the population's socioeconomic conditions, DANE reports that in 2024, 31.8% of the country's inhabitants were living in monetary poverty (28.6% in urban centers and 42.5% in rural areas), reflecting a slight reduction compared to 2023 (33%).

Access to housing by social interest segment

Policies involving direct subsidies, indirect subsidies (in the form of interest rate subsidies), and discounts on notarial fees and transaction taxes (for purchase and/or rental, among others) remain in effect. Of the total housing loans (SIH and non-SIH), 38.4% were disbursed with a subsidy.

On the other hand, the rental program initiated in 2021 did not continue, despite the fact that an applicable regulatory framework remains in place.

It should be noted that the country does not have up-to-date information on household expenditure on rent and electricity services. The most recent official data correspond to the 2017 Household Budget Survey.

Housing market

Structural conditions

For the period 2025–2035, the number of households is projected to grow at an annual rate of approximately 2.3%, equivalent to roughly 465,000 new households per year

that will require a housing solution. To this must be added the 2.07 million households currently facing a quantitative housing deficit. Despite this, both the qualitative and quantitative deficits declined, falling from 431,000 and 2,299,000, respectively, in 2023 to 402,000 and 2,077,000 in 2024. The reduction in the qualitative deficit is particularly noteworthy, as it is more significant within the Colombian housing context.

Regarding housing tenure, 39.5% of Colombian households live in owner-occupied housing (either fully paid off or in the process of being paid). In parallel, 40.4% of households rent their dwelling, 14% occupy under usufruct, 3.8% possess without title, and the remaining 2.3% fall into other modalities.³

In the capital city, Bogotá, significant differences are observed across tenure forms. Nearly half of households are renters (50.5%), while 41.2% are homeowners. Usufruct (6.5%) and possession without title (0.6%) account for smaller shares in the capital district.

2024 overview

In 2024, the number of housing units increased to 18,404, compared to 17,911 in 2023. Both the number of completed units and the number of transactions involving new and existing housing increased, reaching 190,800 and 179,600, respectively, in 2024, compared to 184,410 completed units and 172,900 transactions in 2023. However, with respect to new housing construction, DANE reported that in 2024 construction began on 171,576 residential units, of which 65.4% were social interest housing.⁴ Both market segments recorded a decline in housing starts (11.5% in SIH and 20.9% in non-SIH), such that, in aggregate, the housing starts indicator fell by 15% in 2024.

The Construction Cost Index for Buildings (ICOCED) recorded an annual variation of 4.03% for total residential buildings, with an increase of 4.09% in social interest housing (SIH) and 4.02% in non-SIH. This variation remained below inflation and was also lower than that recorded in the previous twelve months (7%).

Housing investment as a share of the national budget increased by 1 percentage point in 2024 compared to the previous year (7% of the total budget). In addition, public housing subsidies more than doubled in value.

³ Usufruct refers to occupancy of a dwelling with the owner's permission, but without payment.

⁴ This figure corresponds to the Building Census conducted by the National Administrative Department of Statistics (DANE) in the country's 23 principal cities and their respective surrounding municipalities.

New housing sales reached 151,670 units in 2024, of which 69% (104,600 units) corresponded to SIH. Although new housing sales posted positive growth in 2024 (4.9% relative to 2023), this level remains well below the peak of 249,900 units recorded in 2021. In the SIH segment, growth reached 8.7% in 2024; however, the number of units commercialized was the lowest in the past seven years. In the non-SIH segment, a 2.7% decline in the number of units sold was observed, making 2024 the year with the lowest sales volume since records began (2010).⁵

Disbursements for the acquisition of new housing showed positive dynamics. According to DANE, in 2024 financial institutions carried out approximately 122,700 disbursements for the purchase of social interest housing, representing an annual increase of 7.7%.⁶ On the non-SIH side, disbursements totaled 57,000, compared to approximately 59,000 in 2023. The volume of disbursements for the acquisition of non-SIH housing increased by 3.9% relative to 2023. The mortgage portfolio as a share of GDP rose from 8% in 2023 to 8.1% in 2024, approaching the pre-pandemic (2019) level of 8.3%.

Meanwhile, the New Housing Price Index (IPVN) showed stronger momentum. Comparing the fourth quarter of 2024 with the same period in 2023, the sale price of new housing increased by 9.07% nationwide. By housing type, apartments rose by 9.32% and single-family homes by 3.40%. These results suggest that, despite a restrictive financial environment, the real estate market maintained positive performance, supported by the gradual reduction in interest rates and the stabilization of demand.

Mortgage credit market

Disbursements for the acquisition of new housing showed positive momentum in 2024. According to DANE, financial institutions carried out approximately 122,700 disbursements for social interest housing (SIH), representing an annual increase of 7.7%.⁷ This favorable performance is explained, in part, by the high volumes of pre-sales conducted between 2021 and 2022, which culminated in the effective delivery of housing units.⁸ On the non-SIH side, disbursements reached 57,000 operations, compared to approximately 59,000 in 2023—that

is, a slight contraction. This segment remains below its 2021 peak (133,000 disbursements). Overall, the total number of mortgage credit operations increased by 3.9% relative to 2023.

The rebound in disbursements was driven by improved financial conditions: whereas 2023 closed with effective annual interest rates close to 17% for COL-denominated loans, by the end of 2024 the average had declined to 11.3%. This evolution is linked to the Banco de la República's monetary policy cycle, as its policy rate fell from 13% to 9.25%, facilitating access to credit.

As a result, the mortgage portfolio posted nominal growth of 8.5%. In relative terms, the mortgage portfolio as a share of GDP increased from 8% in 2023 to 8.1% in 2024, approaching the pre-pandemic level of 8.3% (2019). The number of active mortgages rose from 1.55 million to 1.63 million.

Regarding the composition of credit, the share indexed to inflation (UVR) declined slightly from 22.1% to 21.3%. This trend may reflect a stronger preference for fixed-rate loans in the pursuit of payment stability, although not necessarily associated with expectations of lower inflation. The delinquency rate of the mortgage portfolio remained virtually stable (5.93% to 5.9%), as did delinquency measured by number of mortgages (7% to 6.9%).

The Colombian financial system, led by commercial banks, continues to concentrate on granting mortgage loans, consolidating its dominant role vis-à-vis cooperatives and employee funds. In real terms, the growth of the mortgage portfolio and the modest rebound in disbursements reflect a gradual reactivation of the housing market, supported by countercyclical policies, SIH subsidies, and the strengthening of financing for housing projects.

5 Source: Coordinada Urbana.

6 This figure includes housing loans and housing leasing.

7 This figure includes housing loans and housing leasing.

8 Of the total disbursements for the purchase of SIH in 2024, 87.4% were allocated to new housing units.

Overview of the mortgage system

What funding sources support housing credit?	Deposits in commercial banks and the National Savings Fund (Fondo Nacional del Ahorro).
What is the primary funding source, and what is its share of the total housing credit stock?	Credit institutions, primarily commercial banks, with an 86% market share.
What types of institutions provide housing loans?	Private credit institutions (commercial banks, compensation funds, cooperatives, employee and housing funds, and other portfolio managers) and public institutions (savings funds).
Which is the main mortgage institution, and what is its market share?	Bancolombia, with a 24.6% market share.
What is the most common type of mortgage product for home purchase?	FRM with full amortization, accounting for 73.1% of all credit products.
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	Fixed: 11.27%. Variable: 6.71%.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	54.6%; regulatory maximum of 80% for SIH and 70% for non-SIH housing.
What is the typical income commitment for housing mortgage loans?	34.0%, with a regulatory maximum of 40%.
What percentage of loans issued during the year received some type of subsidy?	38,4%.

Urban land market

During 2024, the main indicators of Colombia's urban land market showed moderate stability, with positive variations in prices and costs, but with a slowdown in construction activity. According to the National Administrative Department of Statistics (DANE), the national variation of the Property Valuation Index (IVP) was 3.84%, reflecting a moderate increase in the cadastral valuations of urban properties.

Informality, inclusion, and sustainability

The Ministry of Housing does not maintain administrative records on informal growth at the national level. At the municipal level, in the case of Bogotá, monitoring polygons are available whose purpose is to “identify, georeference, characterize, and update existing occupa-

tions, and in turn prevent the emergence of new developments in these areas.”⁹ Through this instrument, 5,644 polygons have been identified in urban or rural land, in protected areas, or in risk zones, encompassing 29,467 occupations.

Persistent gaps remain in information on informal housing or land transactions, informal rentals, and informal occupation of existing buildings or heritage properties.

For 2024, DANE reports—based on the Quality of Life Survey (ECV)—that 98.9% of households nationwide have electricity service, 90.1% have access to sewerage, and 76.2% have access to aqueduct services; only 0.23% lack a bathroom within the dwelling unit.

With respect to green credit policies, the country has not made progress in this area.

⁹ <https://www.ideca.gov.co/recursos/mapas/poligono-de-monitoreo-de-la-informalidad-urbana>

Summary of indicators

Indicator	Year 2024
Inflation rate	
Unemployment rate (December)	5.2%
Informality rate in the labor market	9.1%
Outstanding housing mortgage credit / GDP	56.7%
Public investment in housing/GDP	8%
Banking spread	0.31%
Quantitative deficit/urban housing stock	10.6
Qualitative deficit/urban housing stock	2.80%
Homeownership rate	14.5%
Urban housing affordability index (purchase)	39.5%
Urban housing affordability index (rental) (2022)	5.29
Rate of change in the house price index (national)	24%
Rate of change in the rent price index (national)	9.07%
Households without formal title relative to housing stock	7.55%
	3.81%

of June, citing fiscal challenges. The expected increase in the fiscal deficit for 2025 and subsequent years poses a challenge for monetary policy and for the continued reduction of market interest rates.

With respect to sectoral performance, Deloitte estimates that by the end of 2025 the construction sector will experience a modest rebound due to a sharp decline in residential works, while the civil works component would improve overall sector performance. Similarly, improvements in real estate sector indicators are expected to yield better results.

Finally, the qualitative housing deficit is expected to continue declining, and housing improvement policies are anticipated to consolidate.

Perspectives, trends, and projections

According to the Monthly Survey of Economic Expectations (EME) conducted by the Banco de la República (July 2025), the main agents in the Colombian market hold positive expectations regarding economic growth for the end of 2025 (2.5%) and 2026 (2.8%). These projections are based on moderate growth in consumption and investment. Likewise, respondents expect inflation to continue its downward trajectory, closing 2025 at 4.8% and reaching 3.8% in 2026.

The Medium-Term Fiscal Framework projects an increase in public expenditure and a reduction in fiscal revenues. In June 2025, the national government decided to suspend the fiscal rule. As a consequence of this suspension, S&P downgraded Colombia's sovereign credit rating at the end



Costa Rica

By Dania Chavarría Núñez
(with collaboration from Alexander Sandoval Loría)

Summary

- As of 2024, the total housing deficit stands at 145,184 units, showing a downward trend according to the traditional calculation methodology used by the National Institute of Statistics and Census (INEC), which aggregates the natural housing shortage, substandard dwellings, regular-condition dwellings, and overcrowded dwellings. If all regular-condition dwellings without overcrowding were included in this figure, the deficit would rise to 705,250 units, potentially offering a more accurate reflection of the deterioration dynamics of the housing stock.
- The absence of a widely socialized, unified definition of concepts related to informal housing, combined with weaknesses in the availability and updating of data on the 576 identified informal settlements—home to 64,128 households—limits the State’s ability to intervene strategically, prioritize resources effectively, and measure outcomes. This perpetuates social exclusion, heightens exposure to risk, and imposes a growing fiscal burden on the public treasury.
- The Costa Rican residential market exhibits a marked disparity between housing supply and effective access across income segments. Only 14% of housing units offered on the market are affordable for income deciles I through VII (low- and middle-income sectors), while 86% of units are targeted to the top 30% of the population (deciles VIII, IX, and X).
- High home purchase prices and financing constraints affecting certain income groups (quintiles II and III) have strengthened the rental market, which represented 19% of the housing stock between 2020 and 2024. This underscores the need to incorporate new public policy instruments and incentives to stimulate rental housing supply for middle- and lower-income households.

General overview: Macroeconomic and demographic context

Costa Rica’s economy in 2024 shows favorable conditions compared to the period marked by the COVID-19 crisis and the economic pressures of 2021–2022. Recent employment and income indicators have improved. The economy continues to grow at a moderate pace, and inflationary pressures have eased, allowing the Central Bank of Costa Rica (BCCR) to maintain a balanced monetary policy stance and improve financial and credit conditions.

In the foreign exchange market, excess supply of foreign currency has continued to exert downward pressure on the exchange rate, leading to an appreciation of the CRC against the U.S. dollar. In 2024, the average exchange rate in MONEX declined by 2.3%, falling from CRC 523.46 per USD in December 2023 to CRC 511.27 per USD at year-end (in 2023, the decline had been 12.4%).

With respect to the housing market, the principal impacts are as follows: For the construction sector, exchange rate volatility introduces uncertainty, given its heavy reliance on imported materials and equipment priced in U.S. dollars. When the CRC appreciates, these inputs become less costly in local currency terms, potentially easing cost pressures. For homebuyers with CRC-denominated income and expenditures, appreciation may contribute to lower housing prices, thereby improving affordability for local households. For foreign investors or individuals with dollar-denominated income, initial investment outlays become higher in their own currency, although stronger macroeconomic conditions may enhance long-term negotiation prospects. A stronger currency can also signal economic stability, which may attract long-term real estate investment.

Costa Rica is the fifth most populous country in Central America, with just over 5.2 million inhabitants. Its demographic composition reflects a highly mixed population, shaped by

historical mestizaje among Indigenous peoples, Spaniards, Sephardic Jews, and Africans, as well as subsequent waves of European, Afro-Caribbean, and Asian migration. Today, Costa Rica is one of the main migrant-receiving countries in Latin America and the primary destination in Central America; it is home to the largest Buddhist, US, French, Italian and Polish communities in the region, as well as Germans, Muslims, Jewish and Chinese immigrants.

Migration flows exert pressure on housing markets, increasing demand in urban areas and contributing to rising rents and property prices, which complicates access to adequate housing for low-income households and may contribute to overcrowding or the proliferation of informal settlements. At the same time, the diversity of migration flows (in terms of nationality and socioeconomic profile) generates complex and segmented housing demand, challenging urban planning systems to move beyond one-size-fits-all models toward more flexible and differentiated solutions. These dynamics may also generate social tensions, requiring housing policies to emphasize social and community integration in addition to housing production.

Access to housing for social interest segments

Access to housing for social interest segments in Costa Rica is supported by the family housing bonus (Bono Familiar de Vivienda—BFV), a direct State grant administered by the Housing Mortgage Bank (BANHVI) and authorized entities within the National Housing Finance System (SFNV). BANHVI does not serve a fixed percentage of the population; rather, it targets families meeting income eligibility criteria for the BFV.

Beneficiaries include families in extreme poverty, persons with disabilities, families in Indigenous territories, female-headed households, older adults, and low- and middle-income families through mortgage-linked operations. In 2024, 9,320 housing subsidies were formalized with FOSUVI resources, representing a total investment of approximately USD 215,000. This includes ordinary bonuses, subsidies under Article 59 of Law 7052 (SFNV), and credit-linked bonuses.

Of total subsidy investment, 80.83% (USD 173,639) was allocated to families in poverty or extreme poverty. To qualify under this category, monthly household income had to be below USD 931. The BFV amount is calculated proportionally to household income: lower income corresponds to a higher subsidy, while higher income results in a smaller subsidy. For middle-income households (income strata 1.5–6), gross

monthly household income in 2024 could not exceed USD 3,815.

To access social housing, beneficiaries must have official eligibility certification and belong to a family nucleus, with exceptions for older adults. The BFV may be used for land purchase and construction, construction on owned or family land, home purchase, or home improvement. In cases of extreme need or emergency, subsidies may cover 100% of the cost of land, urbanization works, and housing—a strategic tool for informal settlement eradication. In 2024, extreme-need, slum eradication, and emergency bonuses benefited 1,826 families (19.60% of total bonuses processed).

Although prior receipt of a bonus generally disqualifies households, Article 50 of the SFNV Law permits a second subsidy in special programs if a family loses its home partially or totally due to natural disasters, accidents, or force majeure.

Housing market

According to INEC estimates, the 2024 housing deficit is concentrated in urban areas. The total housing stock (1,321,730) remains insufficient to meet demand, particularly for acceptable and affordable units for lower-income groups. In urban areas, the quantitative housing deficit amounts to 10,553 units, equivalent to 79.67% of the national quantitative deficit. The qualitative deficit in urban areas reaches 105,551 units, representing 80% of the national qualitative deficit. Housing costs in urban areas, compared with the rest of the country, reveal a significant gap between supply and demand.

A significant share of the housing stock is classified as inadequate (substandard or regular-condition dwellings and overcrowded units), corresponding to the qualitative deficit and reflecting structural quality problems affecting a substantial portion of the population.

Various economic and market factors are shaping current dynamics. Construction costs have risen significantly, with the average cost per square meter in the most populous city ranging between USD 800 and USD 1,800, depending on the type of construction. The difficulty in reducing these costs constrains supply, as it limits the feasibility of bringing projects targeted at middle- and lower-income segments to market. This directly affects the formal production of new affordable housing in suitable locations, thereby sustaining the existing deficit.

Permit processing times average 47 days, with longer delays particularly affecting large housing developments; in some cases, municipal procedures contribute to these bottlenecks.

As a result, the supply of new residential construction is concentrated in higher-income market segments. Lower-income households that meet the requirements of the National Housing Finance System (SFNV) may access the housing bonus for a dwelling that must comply with minimum quality standards in order to be deemed adequate (Directive 27). However, significant constraints persist for middle-income families that do not qualify for the BFV, for whom access to quality housing remains a challenge.

Addressing the structural imbalances in the housing market requires a comprehensive approach that includes incentives to reduce construction costs, streamlined permitting processes, and public policies aimed at increasing the production of affordable housing across income groups, as well as upgrading the existing housing stock.

Mortgage credit market

Costa Rica’s housing finance system offers loans in both CRC and USD. Mortgage credit is provided by public and private banks, mutual savings institutions, and cooperatives, typically financing up to 80% of property value (LTV). Debt service may not exceed 40% of household income, and formalization costs average 5.5% of total transaction value.

In 2024, the average mortgage interest rate stood at approximately 10.21%, according to the Central Bank of Costa Rica. Rates are typically variable: CRC-denominated loans are referenced to the Basic Passive Rate, and in USD to the prime rate, with additional basis points applied to determine final consumer rates.

Mortgage credit institutions also channel BFV subsidies, supporting both new construction and home improvement, contributing to reductions in the qualitative and quantitative deficits (131,949 and 13,245 respectively in 2024).

Overview of the mortgage system	
What funding sources support housing credit?	Other deposit-taking, savings and loan institutions; savings and loan mutuals; and special public funds (housing bonds).
What is the primary funding source, and what is its share of the total housing credit stock?	Bank deposits: 52.34%.
What types of institutions provide housing loans?	Public and private banks, savings and loan mutuals, cooperative foundations, and solidarity associations.
Which is the main mortgage institution, and what is its market share?	Banco Nacional de Costa Rica: 18.60%.
What is the most common type of mortgage product for home purchase?	Fully amortizing variable-rate loans. For CRC-denominated loans, rates are typically referenced to the basic passive rate; for USD-denominated loans, to the prime rate.
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	The typical variable rate is 11.21%.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	80% of the appraised value of the property.
What is the typical income commitment for housing mortgage loans?	The average payment-to-income ratio is 40%.
What percentage of loans issued during the year received some type of subsidy?	28%

Urban land market

As of 2024, the dynamics of the urban land market reveal the significant weight of land costs in housing development, particularly in urban and peripheral areas, where land value may account for around 40% of the total housing price, depending

on location and project type. Trends of urban land expansion persist, driven both by occupation of peri-urban areas and by outward growth toward zones with lower land costs. The absence of a clear and coordinated policy to regulate land supply and curb speculation contributes to price inflation, thereby constraining access to land for low- and middle-income populations and encouraging processes of informality.

The lack of an updated regulatory framework capable of effectively overseeing the land market and promoting sound territorial planning generates a range of adverse effects, including shortages of land designated for social housing, disorderly urban expansion, the consolidation of fragmented urban patterns, and obstacles to achieving more equitable territorial development. A substantial amount of public land is held by various state institutions and municipalities; however, no public land bank exists to identify and mobilize these assets as part of a strategic response to the problem—particularly significant given that 303 of the 573 identified informal settlements are located on public land.

Informality, inclusion, and sustainability

As of 2024, approximately 80% of the population living in informal settlements in the country is concentrated primarily in urban centers and peripheral areas. This phenomenon, combined with rising urban land costs, reflects a context in which housing solutions in high-demand areas are effectively restricted for certain segments of the population, thereby pushing many families into conditions of informality. The absence of unified definitions and the weaknesses in available and up-to-date information regarding the 576 identified informal settlements—home to 64,128 households and approximately 183,000 people—limit the State’s capacity to intervene strategically in areas exposed to high-risk conditions. At the same time, informal settlements impose a growing fiscal burden on the public treasury.

Although subsidy programs (BFV) exist for older adults, persons with disabilities, and Indigenous populations—and women heads of household account for more than 50% of housing bonus recipients—the absence of regulatory standards governing data registration and disclosure in the area of credit inclusion constrains the ability to determine overall participation rates by gender and race within the housing credit market as a whole, and to design programs aimed at improving current outcomes.

In terms of sustainability, Costa Rica benefits from broad infrastructure coverage in urban housing and has made progress in incorporating credit programs for sustainable housing development, as well as in promoting certifications for environmentally responsible housing projects. These initiatives offer fixed interest rates for two to five years, zero formalization costs, extended maturities, and financing of up to 95%.

Summary of indicators

Indicator	Year 2024
Inflation rate	
Unemployment rate	0.8%
Informality rate in the labor market	6.9%
Outstanding housing mortgage credit / GDP	37.9%
Public investment in housing/GDP	0.26%
<i>Banking spread</i>	0.3%
Quantitative deficit/urban housing stock	6.9 pp
Qualitative deficit/urban housing stock	8%
Homeownership rate	79.8%
Urban housing affordability index (purchase)	73.3%
Urban housing affordability index (rental)	-
Rate of change in the house price index (national)	-5%
Rate of change in the rent price index (national)	4.36%
Households without formal title relative to housing stock	4.1%

Outlook, trends, and projections

Throughout 2024, the need persists in the country for a comprehensive strategy to address informal settlements. Such a strategy must encompass a range of elements, from the adoption of a common terminology that enables all responsible institutions to rely on unified data in order to develop an integrated understanding of the phenomenon of informality, to the promotion of preventive—rather than merely remedial—approaches, and the strengthening of inter-institutional coordination to ensure effective integration of public action. This coordination must be articulated within the framework of a land policy aligned with housing and territorial planning policies.

In a context where officially declared social housing investment is undertaken by the State but, in most cases, produced by private actors—with active participation from authorized entities and private developers since the system’s inception—it is essential to continue strengthening public-private partnerships. This is particularly important so that the pre-investment efforts of private stakeholders can help offset the country’s bureaucratic burdens related to project processing and approval. Although procedural simplification has been a major focus over the past five years, its effects extend across the entire housing market, as institutional approvals—such as those from the Ministry of Health, fire authorities, and

potable water and sanitation services, among others—as well as municipal construction permits, may take years to obtain. Further efforts are therefore required to ensure that reforms in this area achieve more substantial impact.

The budget cuts applied by the government over the past five years to the National Housing Finance System may also be viewed as an opportunity to advance initiatives aimed at integrating alternative tenure modalities—such as rental housing, cooperative housing, among others—into the social housing market, as well as diversifying financing sources. This effort requires coordinated State action at all territorial scales of impact.

A rigorous assessment of the rental housing sector must be grounded in reliable data to enable it to function as a viable alternative for reducing the housing deficit. Generating such data constitutes the most pressing challenge.

In light of the information gaps that hinder a clear determination of the magnitude of existing problems and the effective planning of response strategies, it is urgent to address these deficiencies through the establishment of a centralized repository or information system capable of accurately identifying the scale, typology, and geographic location of the housing challenges identified in Costa Rica.



Dominican Republic

By Carlos Ariel Cortés Mateus

Summary

- In 2024, the Dominican Republic consolidated its position as a growth leader in Latin America and the Caribbean (LAC), posting real GDP growth of 5%, exceeding the 2023 figure. The country has an urbanization rate of 85% (World Bank, 2024) and a population growth rate of 1%.
 - The country faces a total housing deficit of 1.4 million units (39.3% of the total), including a quantitative deficit of approximately 393,000 units (10.5%) and a qualitative deficit affecting existing dwellings with deficiencies—primarily in access to basic water, sanitation, and energy services and in the quality of construction materials—amounting to around 1.1 million units (28.8%).
 - It has made progress in consolidating a solid institutional and regulatory framework (including the creation of the Ministry of Housing and Buildings in 2021). However, significant challenges remain in strengthening programs for new home purchases and in implementing housing and neighborhood improvement initiatives.
 - With respect to the deepening of the mortgage credit market, as of end-2024 the outstanding balance reached DOP 391.637 billion (USD 6.266 billion), representing growth of nearly 13.7% year-on-year. Mortgage loans account for 17.9% of total bank credit. The non-performing loan ratio for the mortgage portfolio is estimated at 1.65%. Challenges persist in expanding access to mortgage credit among lower-income populations.
 - In terms of sustainability, progress has been made toward the development of a unified national building code and Sustainable Building Guidelines. A Sustainable Construction Guide was developed under the national Familia Feliz housing plan (PNVFF). The private sector (developers and banks) is also offering products that promote **water- and energy-saving technologies** in housing.
- According to the 2024 National Household Survey (Enhogar), 99.5% of the country's housing stock has access to electricity (although only 0.3% of households use solar panels as their primary energy source). Additionally, 90.4% of households have access to piped water for domestic use (inside or outside the dwelling), and 95.9% are served by an adequate sanitation system. Only 0.2% of the population lacks exclusive access to an indoor bathroom.

General overview: Macroeconomic and demographic aspects

The Dominican Republic, located in the Caribbean, is the second-largest country in the Antilles (by area and population), with an estimated population of 11.4 million and an annual population growth rate of 1.3%, according to the National Statistics Office (ONE). Approximately 9.7% of the population is aged 65 or over, and 34.2% is under 15.

In 2024, the country maintained its position as a growth leader in LAC with real GDP growth of 5%, surpassing the 2023 figure. Year-on-year inflation remained low at around 3.35%. According to the Central Bank of the Dominican Republic, employment reached historic levels, exceeding 5 million in the final quarter of 2024. The open unemployment rate declined to 4.8% by year-end.

The labor force participation rate stands at 61.9%, with labor informality at 54.8%. The poverty rate is 19.1%, and the Gini index is 0.384. Santo Domingo is the most populous city, with an urbanization rate of 85% and a population growth rate of 1%. In 2024, monetary poverty declined from 24.4% in 2023 to 20.8%.

Access to housing for the social interest segment

Regarding the housing sector and housing market in the Dominican Republic, the following information is noted:

According to ONE, the housing deficit stands at 1.46 million units—approximately 40% of total households. The quantitative deficit (insufficient number of dwellings) is estimated at approximately 391,623 units (10.5% of total households), while the qualitative deficit (existing dwellings with deficiencies) affects 1.07 million units (28.8%). The country has approximately 3.7 million households, with an average household size of 2.9 members.

Basic services (water, sanitation, and energy) account for the majority of qualitative deficits (93.7%), followed by poor-quality floor and roof materials (4.9%). Geographically, the largest share of the qualitative deficit is concentrated in Santo Domingo province (23.5%), followed by the National District (8.5%) and San Cristóbal province (7.6%). Of the population heading households with qualitative housing deficits, 61.03% are male and 38.97% female. Among households facing qualitative deficits, 56.8% report owning their home outright, while 32.3% rent. Approximately 73.5% of the total housing deficit is located in urban areas and 26.5% in rural areas.

The Dominican Republic is not exempt from the widespread causes of quantitative and qualitative housing deficits observed across the region, including limited supply of formal and affordable housing for low-income populations and restricted access to mortgage credit, partly due to the absence of more robust public financing instruments.

Housing market

Limited access to formal housing has led to the occupation of peripheral areas and the formation of informal settlements, where low-quality housing is built. Over time, some of these dwellings may be regularized and subsequently incorporated into the qualitative housing deficit—provided they are not located in high-risk, non-mitigable zones.

According to the 2024 National Household Survey (Enhogar), 48.9% of families in the Dominican Republic do not own their home, and 42.5% of occupied dwellings are rental units.

Although housing needs are concentrated primarily in upgrading existing dwellings to address the qualitative deficit, public housing policies have focused predominantly on promoting

new housing purchases. There is an opportunity to adjust housing policy to strengthen mechanisms for upgrading the existing built environment. Similarly, given the large share of households living in rental housing, there is scope for designing rental programs with and without purchase options.

Through the Ministry of the Presidency (MINPRE), the national government has implemented the national Familia Feliz housing plan (PNVFF), which aims to construct and finance approximately 60,000 new housing units nationwide. Beginning in 2025, the program will be led by the Ministry of Housing and Buildings (MIVED) and will incorporate adjustments. It supports new housing projects under three modalities: i) Subsidized Social Interest Housing (SSIH), ii) Priority Social Interest Housing (VIP), and iii) Social Interest Housing (SIH). The government provides an initial subsidy through the Initial Bonus, along with benefits associated with the ITBIS tax exemption and the Women's Bonus.

As of December 2024, 4,287 housing units had been completed under the PNVFF. In addition to the initial subsidy delivered through Fonvivienda, the program facilitated mortgage financing through the Dominican financial sector, leveraging approximately USD 90 million. The PNVFF will operate under the Mi Vivienda program led by MIVED, which supports households from different socioeconomic strata in acquiring their first home.

Mortgage credit market

As mortgage credit has deepened, the Superintendency of Banks (SB) estimates that as of end-2024 the outstanding balance reached USD 6.266 billion. Mortgage loans, considered lower risk relative to other loan categories, represent 17.9% of total bank credit. The mortgage portfolio has a non-performing loan ratio of 1.65% and a delinquency rate of 0.62%.

According to the SB (2024), in its report Informe sobre el crédito en el sistema financiero, 98% of the mortgage portfolio was classified as A or B (high credit quality) as of end-2024.

The mortgage portfolio has the lowest share of deteriorated loans (1.9%) compared to commercial (13.7%) and consumer (5.7%) portfolios.

The weighted average mortgage interest rate stood at 11.3% in December 2024, maintaining a stable downward trend over the past five years.

Overview of the mortgage system

What funding sources support housing credit?	Financial institutions' own resources and deposits from savings corporations. Additionally, nonprofit organizations such as those managed by Habitat Dominicana are also identified as funding sources.
What is the primary funding source, and what is its share of the total housing credit stock?	Financial institutions' own resources and customer deposits: multiple banks (72.9%), and savings and loan associations (26.3%).
What types of institutions provide housing loans?	According to the mortgage registry system of the Superintendency of Banks, the providers include multiple banks, savings and loan associations, and credit corporations.
Which is the main mortgage institution, and what is its market share?	Banco de Reservas de la República Dominicana, with a 21.9% market share.
What is the most common type of mortgage product for home purchase?	Fully amortized loans with fixed interest rates.
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	The typical mortgage credit rate is 11.42% (fixed). Variable rates range between 8% and 21%, depending on the offering banking institution. The average rate is 11.3%.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	53%.
What is the typical income commitment for housing mortgage loans?	30%.
What percentage of loans issued during the year received some type of subsidy?	25%.

Urban land market

Law 368-22, the General Law on Territorial Planning, Land Use and Human Settlements, establishes the regulatory framework for territorial planning in the Dominican Republic at the national, provincial, and municipal levels. Its implementing regulation (Decree 396–25) seeks to promote rational and equitable territorial organization, environmental sustainability, economic and social development, and risk management.

The instruments developed under this Law and its regulation include: i) Regional Territorial Planning and Development Plans (PRODT), ii) Municipal Territorial Planning Plans (PMOT), and iii) Urban Land Delimitation Instruments (IDSUs). The regulation also governs the operation of the National Territorial Planning System (SNOT) and the National Territorial Information System (SNIT).

The issuance of the implementing decree marks an important milestone, as it enables the application of measures such as land use regulation, density controls, designation of environmental protection and disaster risk areas, orderly municipal development, and oversight of the location of new urban developments. Title V of the regulation establishes conditions for the treatment of existing human settlements and those that may emerge in the future.

In 2024, implementation began for the “Emergency Response and Resilience Project,” supported by USD 200 million in World Bank financing. One of its components promotes resilient and inclusive territorial planning and development. The project aims to support the preparation of territorial planning instruments incorporating climate change adaptation and disaster risk management (DRM) at national and subnational levels, assisting 54 local governments in developing such planning tools.

The country continues to face challenges in land availability and land servicing for social housing. Land price speculation persists, pushing urban development toward peripheral areas. The implementation of Law 368–22 and Decree 396–25 is expected to help mitigate land price pressures by incorporating land price regulation mechanisms into municipal master plans for land use (Planes Municipales de Ordenamiento Territorial—PMOT), along with financing and compensation instruments (charges and benefits) and mechanisms to facilitate the use of public land and designate areas of special social interest. The high housing deficit and the new territorial planning framework present an opportunity to improve urban planning and promote quality housing projects, particularly for vulnerable populations.

Informality, Inclusion, and Sustainability

According to the National Continuous Labor Force Survey (ENCFT) conducted by the Central Bank, labor informality stood at 54.8% at end-2024.

Although no consolidated figure exists for households lacking formal property titles, data from the Ministry of Finance and the National Cadastral Directorate (2023) suggest that approximately 60% of properties in the country lack formal documentation, implying that a significant share of individuals hold land and assets without secure title.

Through the Technical Executive Unit for State Land Titling (UTECT), the government coordinates inter-institutional efforts related to large-scale property titling processes, particularly in areas where the State has implemented agrarian reform and housing projects. In 2024, more than 33,200 properties were titled, and the target for 2025 is 75,000 titles, according to the information reported.¹⁰

There is an opportunity to consolidate a nationwide mass titling program to address the structural problems arising from tenure insecurity, especially among vulnerable populations.

According to the 2024 National Multipurpose Household Survey (Enhogar), 99.5% of the country's housing stock has access to electricity (although only 0.3% of households use solar panels as their primary energy source). Additionally, 90.4% of households have access to water for domestic use (piped inside or outside the dwelling), and 95.9% are served by an adequate sanitation system. Only 0.2% of the population lacks exclusive access to a bathroom within the dwelling.

Although the Dominican Republic does not yet have a nationally established green mortgage framework, some commercial banks have begun to introduce initiatives such as “HipotEco” from Banco Popular Dominicano, certified under the EDGE sustainability standard. This product offers an interest rate below prevailing market rates, along with additional benefits such as extended loan terms, and supports housing units expected to achieve energy and water consumption savings of approximately 20%.

Summary of indicators

Indicator	Year 2024
Inflation rate	3.4%
Unemployment rate	4.8%
Informality rate in the labor market	54.8%
Outstanding housing mortgage credit / GDP	5.01%
Public investment in housing/GDP	0.3%
Banking spread	5.27%
Quantitative deficit/urban housing stock	13.5%
Qualitative deficit/urban housing stock	36.9%
Homeownership rate	51.1%
Urban housing affordability index (purchase)	3.2
Urban housing affordability index (rental)	56%
Rate of change in the house price index (national)	3.3%
Rate of change in the rent price index (national)	-
Formal housing supply relative to housing deficit	N/F
Households without formal title relative to housing stock	0.5%

Meanwhile, the Ministry of Housing and Buildings (MIVED) is advancing the development of a unified National Building Code and Sustainable Building Guidelines (Green Taxonomy Committee). In coordination with the Ministry of the Presidency (MINPRE), progress has also been made in defining a Sustainable Construction Guide within the framework of the national Familia Feliz housing plan (PNVFF).

Outlook, trends, and projections

Urban growth and affordable housing demand. In recent years, the Government of the Dominican Republic has promoted and facilitated access to formal housing for vulnerable and lower-income households through programs such as Mi Vivienda and the PNVFF. With more than 84% of the population living in urban areas and continued household formation, as well as persistent quantitative deficits, there is an opportunity to strengthen existing programs

¹⁰ <https://presidencia.gob.do/noticias/presidente-abinader-entrega-mas-de-800-titulos-de-propiedad-familias-de-los-municipios-de>

and develop financing instruments that facilitate the acquisition of new, well-located, quality housing. While consolidated national figures are not available, new housing programs have contributed to reducing the quantitative housing deficit and improving living conditions.

Focus on upgrading existing housing. As in most LAC countries, the qualitative deficit exceeds the quantitative deficit. However, public policy has primarily emphasized new housing production. According to the World Bank (2023),¹¹ investing in housing improvement programs could generate significant benefits, including reductions in extreme poverty, improvements in resilience and risk mitigation, and employment multipliers comparable to those generated by new housing construction. The government has set a goal of issuing 75,000 property titles in 2025 through UTECT. There is an opportunity to expand housing improvement programs nationwide.

Opportunities to enhance housing affordability. Areas for policy advancement include: i) strengthening financial inclusion, ii) promoting household savings incentives, iii) reviewing subsidy values and housing solutions, iv) developing guarantee mechanisms to cover part of households' down payments and increase financial sector confidence, and v) creating incentives to expand the supply of Subsidized Social Interest Housing (SSIH).

Expansion of the mortgage market and alternative financing mechanisms. Although the mortgage portfolio represents a significant share of total bank credit and exhibits strong asset quality, there remains scope to deepen the market, particularly for lower-income households and workers in informal employment. Key actions include strengthening financial education and inclusion and promoting alternative financing mechanisms through microfinance institutions, cooperatives, and fintechs to expand access to credit for housing purchase and improvement.

Challenges in territorial planning and land management.

Continued implementation of Law 368-22 and Decree 396-25 is essential to consolidate territorial planning instruments, strengthen disaster risk management and environmental protection, and facilitate land servicing for housing development. It is also critical to develop strategies that recognize the existing built environment, including informal settlements, and channel investment toward neighborhood upgrading and housing improvement programs.

Inclusion and sustainability. Poverty and inequality indicators reflect structural challenges in social inclusion and access to state programs. It is essential to design mechanisms that benefit vulnerable populations and improve living standards. At the same time, advancing sustainability mechanisms—such as programs promoting energy and water efficiency in housing—and enabling the financial sector to support environmentally friendly projects will be key to ensuring long-term resilience.

¹¹ The World Bank (2023) identified a significant mismatch between the supply of projects and the demand from households eligible under the PNVFF. While 24% of households could afford Subsidized Social Interest Housing (SSIH) priced at up to DOP 1.85 million, only 6% of the housing units offered were in that market segment. Similarly, the largest share of units supplied corresponded to Social Interest Housing (56%) priced at up to DOP 3.05 million; however, only 8% of households potentially eligible for the PNVFF could afford units in that segment. These conclusions were reached after analyzing households' access to mortgage credit, their capacity to meet monthly installment payments, and the price levels of the housing units offered under the PNVFF.



Ecuador

By Jessenia Cazco Arízaga

Summary

- Housing deficit and insufficient subsidies. The urban housing deficit reached 59,928 dwellings in quantitative terms and 132,340 units in qualitative terms (Census 2022). In 2024, subsidies were granted for mortgage credit, rental, and microfinance; however, the number of beneficiary households remains limited relative to the scale of demand. Expanding subsidy coverage, improving targeting toward lower-income segments, and articulating these efforts with housing production programs remain necessary.
- Limited access to formal credit. BIESS accounts for 49.08% of the mortgage market. Nevertheless, high labor informality (55.2%) and underemployment (23.2%) continue to constrain mortgage financing. Although subsidized products are available, the volume of subsidized operations remains low. There is a critical need to develop financial instruments tailored to informal-income households, strengthen guarantee mechanisms, and expand microfinance coverage in the housing sector.
- Gaps in sustainability and basic services. While 97.0% of urban dwellings have access to electricity, coverage for potable water (75.6%) and sanitation (82.2%) reveals significant remaining gaps. Green housing initiatives and sustainable bond issuances remain incipient (36 issues recorded as of 2024). Scaling up investment in basic infrastructure, promoting sustainable construction standards, and expanding access to green financing are priorities.
- Structural inequalities in credit inclusion. Afro-descendant (4.8%) and Indigenous (7.7%) populations maintain reduced participation in mortgage credit. Addressing these disparities requires the design of inclusive financial products with a gender and ethnic equity lens, alongside public policies that facilitate equitable access to housing credit and subsidies.

General Overview: Macroeconomic and Demographic Context

In 2024, Ecuador's economy operated within a context of relative stability, with inflation at 0.5%—among the lowest in the region—accompanied by a benchmark rate of 11.61% and an average banking lending rate of 12.48%. While these indicators reflect price stability, they also point to elevated financing costs, particularly in a policy environment aimed at containing inflationary pressures and preserving dollarization. Nominal GDP reached USD 124.676 billion, with GDP per capita (PPP) at USD 16,000, placing the country at an intermediate level of regional comparison. However, gross fixed capital formation in housing represented only 2.52% of GDP, underscoring the relatively limited weight of the housing sector in the national economy and the need for stronger policy incentives to stimulate investment in this key component of social welfare and economic growth.

From a fiscal standpoint, public investment in housing totaled USD 254.37 million, equivalent to 15% of total public investment. While this represents a significant effort, it remains insufficient relative to the magnitude of the housing deficit, highlighting the urgency of strengthening financing mechanisms, public-private partnerships, and subsidy programs.

On the social and demographic front, structural challenges remain pronounced. The labor force participation rate stood at 64.1%, but high levels of informality (55.2%) and underemployment (23.2%) severely limit households' ability to access formal credit and achieve income stability. Unemployment reached 3.4%, a moderate level relative to the region; however, employment quality remains a concern. On average, households allocate 40% of their income to debt service, significantly reducing available financial space for housing solutions.

From a demographic perspective, Ecuador has a population of 17.7 million, including 1.53 million individuals over age 65—suggesting growing pressures on social protection and housing systems for older adults. Average household size is 3.3 persons, and urbanization stands at 63.1%, with annual population growth of 1.74%, intensifying demand pressures in urban housing markets.

In terms of equity, more than 28% of the population lives in poverty, and the Gini coefficient stands at 0.46, reflecting a highly unequal income distribution structure that constrains broad segments of the population from accessing adequate housing solutions under market conditions.

Access to housing for the social interest segment

Access to housing for the social interest segment remains one of the country's principal challenges, marked by an urban housing deficit of 59,928 units in quantitative terms and 132,340 units in qualitative terms (Census 2022). Although subsidies for mortgage credit, rental housing, and microfinance were maintained in 2024, coverage remains insufficient relative to the scale of accumulated demand. This underscores the need to expand program reach, strengthen targeting mechanisms, and design innovative instruments capable of generating greater redistributive impact among low-income households.

In the mortgage finance market, BIESS accounts for 49.08% of total lending, offering differentiated conditions for social interest segments. However, lending rates ranging between 4.99% and 11.61% reflect a persistent affordability gap. High labor informality (55.2%) and underemployment (23.2%) further limit many households' access to formal banking products, reinforcing the importance of developing more robust housing finance schemes with strengthened guarantee mechanisms, reduced default risk, and greater scale—so that they can serve as a genuine engine of financial and social inclusion.

At the same time, addressing gaps in basic services remains essential. While 97.0% of urban dwellings have access to electricity, only 75.6% have access to potable water and 82.2% to sanitation. These indicators highlight the urgency of scaling up investment in basic infrastructure and aligning housing policy more effectively with urban and environmental policy frameworks.

Housing market

Ecuador's housing market rests on a stock of 6.6 million dwellings, with an average of 3.2 residents per household. Despite this baseline, significant structural challenges persist. The vacancy rate stands at 23.2%, suggesting the existence of units that are not necessarily available to meet effective market demand, while 14.4% of dwellings are classified as substandard, evidencing substantial quality deficits. The previously noted quantitative and qualitative deficits remain among the principal challenges, disproportionately affecting lower-income households, which account for 39% of the urban population. Although 61% of households are homeowners, limited dynamism in home improvement programs constrains progress in reducing the qualitative deficit.

In terms of production, 21,718 building permits were issued in 2024, 32,253 units were initiated, and 41,230 were completed—figures that remain insufficient relative to demographic growth and urbanization (1.74% annually). Real estate transactions totaled 27,738, with a predominance of existing-home sales, indicating greater dynamism in the resale market than in new housing supply.

The median home price stood at USD 52,500 nationally, reaching USD 46,480 in urban areas and USD 40,432 in the most populous city. Median monthly rents were USD 504 nationwide and USD 321 in the principal city. These figures indicate a significant financial burden for lower-income households, particularly given that 40% of income is allocated to debt service and housing.

Finally, housing price indices showed moderate variation in 2024, consistent with low inflation: a 0.02% increase in national sale prices and 0.19% in the most populous city, while rental prices recorded slight declines (-0.08% nationally and -0.018% in urban areas). This suggests relative market stability, though trends point to sustained pressure in high-demand urban zones.

Advancing housing policy will require expanding formal housing production, strengthening home improvement programs, channeling investment toward social housing, improving urban land management, expanding access to financing, and reinforcing rent regulation frameworks to ensure that housing markets respond to the needs of the most vulnerable segments of the population.

Mortgage credit market

In 2024, Ecuador's mortgage credit market reached an outstanding portfolio balance of USD 13.948 billion, with a volume of 26,227 mortgage loans originated during the year and an average ticket size of approximately USD 62,6.. BIESS consolidated its position as the leading market actor, with a 49.08% share, underscoring its strategic role in long-term housing finance. By contrast, private banks, mutualist institutions, and cooperatives together account for the remaining half of the portfolio, although with lower levels of penetration among low-income segments.

The mortgage delinquency rate stood at 3%, reflecting relatively stable performance of the portfolio, albeit with risks associated with labor informality and household vulnerability.

Outstanding mortgage portfolio by type of financial institution, December 2024

Institution	Outstanding portfolio (USD)	Market share (%)
BIESS	6,845,256,887.67	49.08
Banks	5,438,363,358.46	38.99
Segment 1	1,255,748,832.29	9.00
Mutual Associations	301,643,936.05	2.16
Segment 2	92,840,905.25	0.67
Segment 3	14,029,177.30	0.10
Total	13,947,883,097.02	100.00

Source: Superintendency of Banks; Superintendency of Popular and Solidarity Economy; BIESS.

Overview of the mortgage system

What funding sources support housing credit?	Resources from the financial system (banks, cooperatives, and mutual institutions), BIESS (pension funds), public budget allocations for subsidies, credit lines from multilateral organizations, and the issuance of securities/bonds.
What is the primary funding source, and what is its share of the total housing credit stock?	Contributions from IESS affiliates managed by BIESS.
What types of institutions provide housing loans?	BIESS, private banks, savings and credit cooperatives, and mutual housing institutions.
Which is the main mortgage institution, and what is its market share?	BIESS, holding a 49.08% market share. -
What is the most common type of mortgage product for home purchase?	Mortgage loans, with a maximum interest rate of 11.61% (variable rate), higher than the rates applied to public-interest housing loans (4.99%) and social-interest housing loans (4.99%) (fixed rate).
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	Average variable rate (VRM): 10.86% for mortgage loans. Average subsidized rate: 4.99% for VIP/SIH.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	In Ecuador, the typical loan-to-value ratio (LTV) for mortgage loans is 80%, with a regulatory maximum of 83.33%.
What is the typical income commitment for housing mortgage loans?	Up to 40%, which is the maximum income commitment allowed.
What percentage of loans issued during the year received some type of subsidy?	In 2024, there were 26,227 mortgage loans issued, 1,644 of which received subsidy, equivalent to 6.3% of the total.

Financing conditions reveal significant differences: interest rates ranged from 4.99% for subsidized loans to 11.61% for market-based operations, while the typical loan-to-value (LTV) ratio reached 83.3% , with regulatory caps of up to 90%. These figures indicate that, although a relatively broad mort-

gage offering exists, access remains constrained by high levels of labor informality (55.2%) and underemployment (23.2%), which reduce household eligibility under income verification requirements.

Mortgage debt service is estimated at approximately 61.6% of the national median monthly income, assuming a two-income household. This percentage derives from an average monthly payment of USD 454.28 for social interest housing (SIH) and a median household income of USD 736.80. These figures reflect a high financial burden for middle- and low-income households, which may allocate more than half of their monthly income to mortgage payments.

Looking forward, several opportunities are identified to stimulate the mortgage market and improve access to housing. Expanding the coverage of subsidies and state guarantees—particularly for households with informal incomes—is critical, as is strengthening housing microfinance as an alternative for underserved segments. Likewise, promoting refinancing mechanisms and regulatory flexibility could reduce debt burdens for vulnerable households. Finally, consolidating green finance instruments and issuing sustainable housing bonds represent important avenues for aligning housing finance with sustainability and urban resilience objectives.

Urban land market

Ecuador's urban land market faces significant pressures stemming from the relative scarcity of available land and patterns of unplanned urban expansion. In 2024, growth in urbanized land with infrastructure slowed to 5%, consistent with the decline in building permits and housing projects reported by INEC. This suggests expansion of the urban footprint without sufficient infrastructure provision, proportionally reducing the supply of serviced land and revealing weaknesses in territorial planning and land management.

The limited utilization of underused or vacant public land further constrains effective land supply, despite its potential to support social housing development.

In price terms, the average value per square meter showed considerable variation. In peripheral areas, land prices remain lower; however, in consolidated urban zones and in SIH developments, land prices tend to increase, exerting upward pressure on total housing costs. Land continues to represent a significant share of total project costs, particularly in social housing developments relative to middle- and high-income projects.

This context underscores the need to strengthen urban land management through densification policies, regulation of subdivisions, and the promotion of inclusive urban planning instruments capable of expanding the supply of affordable land and reducing dependence on informal markets.

Informality, inclusion, and sustainability

Housing informality remains one of the country's principal challenges. In 2024, 1,716 households were recorded in sub-standard settlements, in addition to 94 identified informal settlements and 53,800 ongoing land regularization processes—highlighting both the scale of the problem and institutional efforts to address it. Informal occupation of vacant lots, preservation areas, and abandoned buildings persists, reflecting weaknesses in land governance and urban management. Addressing these challenges requires strengthening territorial planning, expanding land regularization programs, and promoting formal credit access mechanisms to reduce reliance on informal solutions.

Summary of indicators

Indicator	Year 2024
Inflation rate	0.5%
Unemployment rate	3.4%
Informality rate in the labor market	55.2%
Outstanding housing mortgage credit / GDP	10.7% Mortgage loan portfolio balance (2024): USD 13.95 billion/Total GDP (2024): USD 124.68 billion
Public investment in housing/ GDP	0.204% Public investment in housing: USD 254.37 million/GDP: USD 124.68 billion
Banking spread	9.53%
Quantitative deficit/urban housing stock	1.44% (59,928/4,162,000 urban homes)
Qualitative deficit/urban housing stock	3.18% (132,340/4,162,000 urban homes)
Homeownership rate	61%
Urban housing affordability index (purchase)	4.3
Urban housing affordability index (rental)	55.9%
Rate of change in the house price index (national)	0.02
Rate of change in the rent price index (national)	0.19
Formal housing supply relative to housing deficit	53.8% (32,253 homes produced / 59,928 estimated deficit)
Households without formal title relative to housing stock	-

According to the 2022 Census, women represent 51.3% of the total population, indicating balanced demographic participation; however, no disaggregated data are available regarding women's participation in residential mortgage lending or housing microfinance. Meanwhile, Afro-descendant (4.8%) and Indigenous (7.7%) populations remain underrepresented relative to their population shares. The absence of more detailed data limits the ability to assess potential disparities in credit access.

Although 97.0% of urban dwellings have electricity, access to potable water (75.6%) and sanitation (82.2%) continues to reveal substantial gaps, particularly in lower-income sectors. Additionally, 36 green housing and sustainable bond initiatives were recorded as of 2024, marking initial progress that remains insufficient relative to environmental and urban resilience challenges.

Expanding investment in basic infrastructure, promoting incentives for sustainable construction, and strengthening environmental criteria within housing finance frameworks are essential to positioning sustainability as a cross-cutting pillar of housing policy.

Outlook, trends, and projections

Housing market prospects in Ecuador are shaped by the need to address a persistent housing deficit within a labor market context characterized by high informality (55.2%) and underemployment (23.2%), which continue to constrain access to formal credit. In the short term, mortgage credit, rental, and microfinance subsidy programs are expected to play a central role; however, their impact will depend on institutional capacity to expand coverage and effectively target low-income households. At the same time, BIESS is expected to continue leading mortgage financing, although greater participation by banks, cooperatives, and mutualist institutions is anticipated, provided that credit risk mitigation and guarantee mechanisms are strengthened.

In terms of emerging trends, the market is experiencing growing pressure from rising urban land costs, which increase final housing prices and push vulnerable households toward informal occupation. Strengthening territorial planning, improving the management of underutilized public land, and promoting densification are expected to be key to containing this dynamic. A gradual increase in the formal production of social housing is also projected, driven by public-private partnerships; however, sustaining this trend will require fiscal and credit policies that incentivize private sector investment in SIH.

Finally, with regard to sustainability and inclusion, the outlook points toward greater integration of environmental and social criteria into housing development. The advancement of 36 green housing projects and sustainable bond issuances presents an opportunity to scale up an incipient green finance market. In addition, public policies and financial products are expected to make progress in narrowing access gaps for women (who represent 51.3% of the population), Afro-descendant populations (4.8%), and Indigenous populations (7.7%), thereby fostering a more inclusive housing market. Overall, projections suggest a scenario of gradual progress, contingent upon strengthened regulation, innovation in financing instruments, and the integration of housing policy within a broader sustainable urban development agenda.



El Salvador

By Edgar Alexander Renderos Pineda

Summary

- The Metropolitan Area of San Salvador (AMSS) is undergoing a series of positive urban transformations. This includes the revitalization of the Historic Center—currently framed within inclusive residential-use renewal policies and supported by the Partial Plan for the Historic Center—as well as broader improvements in surrounding districts through new infrastructure and urban upgrades. This scenario opens new space for a more diversified housing supply.
- At the same time, housing prices continue to rise, particularly in major urban centers. While the Ministry of Housing has begun promoting affordable housing projects for low-income households in peripheral areas, this trend presents an opportunity to rethink planning instruments—particularly those related to urban amenities and mobility provision—toward these new residential nodes.
- Housing inclusion is further aggravated by labor market conditions: 68.5% of workers are employed informally, and 80% of formal contributors to the social security system earn no more than four minimum wages.
- The 2024 Population and Housing Census, despite certain data gaps, offers improved clarity regarding housing conditions and tenure nationwide. Residential occupancy stands at 78.1%. Of occupied units, 65.4% are fully paid owner-occupied homes, 15.2% are rental units, and 5.2% are owner-occupied but still under mortgage. Of the 21.9% classified as vacant, the primary reason is occasional use, followed by abandonment.
- The metropolitan expansion of the AMSS is also reflected in a wave of high-rise developments. At least five apartment towers exceeding 35 stories have been announced, with five more under construction. However, units in these developments are priced above USD 100,000, placing them firmly within the upper-middle-income segment.
- Public investment in housing remains limited. The Ministry of Housing's 2025 budget totals USD 11.2 million—just 0.12% of the national budget—limiting the government's capacity to significantly reduce the housing deficit. Social housing finance continues to depend almost entirely on programs administered by the Fondo Social para la Vivienda (FSV).

Macroeconomic and social context

El Salvador's economy remains heavily reliant on services, commerce, and remittances. According to ONEC (2024), the population reached 6,029,976, with 75.4% residing in urban areas—confirming a sustained pattern of urban concentration, particularly in the AMSS and secondary cities such as Santa Ana and San Miguel (World Bank, 2024).

Nominal GDP in 2024 was estimated at USD 36.75 billion (IMF), with annual growth of 2.3%. This expansion was driven by improved foreign trade performance, increased construction activity, and domestic consumption supported by remittance inflows.

The labor market continues to be characterized by high informality (68.5% of the employed population), substantial underemployment (37.6%), and an unemployment rate of 6.3% (ONEC, 2024).

Average monthly household income stands at USD 700.94 nationwide and USD 816.61 in urban areas. The urban basic consumption basket costs approximately USD 248.28—equivalent to 30.4% of average urban income but 68.0% of the minimum wage. At least 41% of the population earns no more than two minimum wages, underscoring structural affordability constraints.

Access to housing for the social interest segment

According to the Ministry of Housing (MIVI, 2024), social housing programs primarily target households earning between one and four minimum wages. Data from the Central Reserve Bank (BCR, 2025) indicate that 80% of formal salaried workers fall within this income bracket.

Between June 2024 and May 2025, the FSV granted 4,687 loans for homes priced below the social housing ceiling (USD 40,000), totaling USD 106.72 million. This corresponds to an average loan amount of USD 22,769 in this segment. (The reported overall average loan amount across FSV housing loans was USD 42,800.) Women accounted for 54.3% of beneficiaries.

In addition, 1,018 loans were granted for homes priced above the social housing threshold, totaling USD 54.66 million, with an average loan amount of USD 53,635. Women represented 53% of borrowers in this segment.

Notably, 70% of loans for homes below the social housing price cap were extended to borrowers earning less than two minimum wages. Female participation was highest in this group at 57.4%.

Housing market

El Salvador's housing market remains historically segmented, with marked disparities in access across income groups. The 2024 Census recorded 6.6 million private housing units, with an occupancy rate near 81%. Approximately 19% are classified as vacant, many of which lack adequate habitability conditions. Homeownership stands at 65.4%, while rental housing accounts for 15.2%. Rental and mortgage-based tenure are most prevalent in the AMSS and other major cities, reflecting migration driven by employment and education opportunities.

Housing finance—particularly for lower-income households—continues to rely heavily on the FSV, which provides subsidized social housing products with down-payment assistance and preferential rates. Private banks offer competitive products but impose stricter formal employment and income requirements, excluding much of the informal workforce.

Public investment in housing remains limited. The Ministry of Housing's 2025 budget totals USD 11.2 million—just 0.12% of total public expenditure—significantly constraining the government's ability to make a meaningful dent in the housing deficit. As a result, the Salvadoran housing market in 2024 continues to be characterized by a predominance of individual homeownership, a sizable housing deficit, and uneven access to financing. This underscores the need to strengthen comprehensive public policies and develop public-private partnership frameworks capable of addressing the structural barriers that prevent broad access to adequate and sustainable housing.

Mortgage credit market

Private financial institutions supervised by the Superintendency of the Financial System—including commercial banks, cooperatives, and savings and credit institutions—account for 94.6% of mortgage lending, followed by the FSV at 5.7%.

Access to private mortgage credit requires relatively high and stable incomes: salaried workers must typically earn between USD 750 and USD 1,300 per month, while independent workers may need to demonstrate monthly income between USD 1,500 and USD 2,000. Loan amounts generally exceed USD 60,000, and applicants must demonstrate at least one year of employment stability or six months of tax statements.

These requirements effectively exclude households earning fewer than four minimum wages and the majority of informal workers. As a result, FSV and FONAVIPO programs remain the primary financing mechanisms for lower-income households. FONAVIPO's program, for example, caps home values at USD 26,150, requires a 5% down payment, and carries an annual interest rate of 10.25%.

Overview of the mortgage system

What funding sources support housing credit?	Bank deposits, resources from FSV, and budget allocations, including funding originating from loans from CABEL and the IDB.
What is the primary funding source, and what is its share of the total housing credit stock?	Retail funding/deposits, 88.88%.
What types of institutions provide housing loans?	Private banks, cooperative banks, savings societies, NGOs, and autonomous state institutions for housing access (FSV and FONAVIPO).
Which is the main mortgage institution, and what is its market share?	Private banking through Banco Cuscatlán de El Salvador, with a 32.49% market share.
What is the most common type of mortgage product for home purchase?	N/A
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	Weighted average general interest rate: 8.29%. Subsidized rate: 5%.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	90% (80% for private institutions and up to 100% for public institutions).
What is the typical income commitment for housing mortgage loans?	30%
What percentage of loans issued during the year received some type of subsidy?	N/A

Urban land market

Over the past year, the AMSS has expanded significantly through municipal restructuring and the incorporation of 14 additional districts in eastern La Libertad, La Libertad Costa, and southern San Salvador. This territorial expansion has increased the supply of peri-urban land—particularly along the La Libertad coastal corridor.

Investment is increasingly directed toward tourism-oriented coastal development and high-density residential projects. The densification strategy originally envisioned for the AMSS is reflected in high-rise projects exceeding 35 stories, with additional towers under construction. These units, priced above USD 100,000, target upper-middle-income buyers.

Metropolitan planning instruments—both rural and urban—are currently being updated to respond to both the historic AMSS core and newly annexed territories.

Informality, inclusion, and sustainability

Informality persists, with land occupation slowing due to physical and regulatory constraints and increasing densification of existing informal settlements.¹²

According to FUNDASAL (2024), urban renewal efforts in San Salvador’s Historic Center have displaced informal settlements from the core area toward what is described as a “second ring of influence.” Informality has therefore shifted geographically rather than disappeared.

Limited access to adequate social housing continues to reinforce these patterns. While some basic service coverage has improved, structural deficits remain significant, particularly in qualitative housing conditions.

¹² Although there are no up-to-date, specific studies mapping the expansion of precarious settlements, institutional observatories such as FUNDASAL, HPH, and TECHO indicate that the geographic footprint of informal settlements has not continued to expand. Instead, having reached their physical spatial limits, these areas are now undergoing densification, with the construction of two- and three-story single-family dwellings.

Summary of indicators	
Indicator	Year 2024
Inflation rate	1.8%
Unemployment rate	6.3%
Informality rate in the labor market	68.5%
Outstanding housing mortgage credit / GDP	8.32%
Public investment in housing/ GDP	0.03%
Banking spread	2.62%
Quantitative deficit/urban housing stock	1.41%
Qualitative deficit/urban housing stock	60.82%
Homeownership rate	65.4%
Urban housing affordability index (purchase) PIR*	38.8, based on average income and prices
Urban housing affordability index (rental) RIR	193%, based on average income and prices
Rate of change in the house price index (national)	N/F
Rate of change in the rent price index (national)	N/F
Households without formal title relative to housing stock	N/F
Domicílios sem titulação formal em relação ao estoque de domicílios	N/E

Similarly, the metropolitan regulatory instruments currently being updated by the Metropolitan Area of San Salvador Planning Office (OPAMSS) are aligned with prevailing housing growth trends in terms of typology, density, and location. These updates incorporate urban planning tools—such as compensation mechanisms and related instruments—designed to facilitate social housing development under a variety of delivery models.

Outlook, trends and projections

The real estate market continues to expand through vertical development in the AMSS and horizontal residential projects in secondary cities. However, affordable housing is increasingly located outside consolidated urban cores, displacing lower-income residents toward peripheral areas. This trend has implications for mobility, infrastructure provision, and fiscal sustainability in expanding metropolitan areas.

The work being carried out by the Ministry of Housing, through the FSV, in advancing social housing projects is noteworthy. These initiatives encompass both privately promoted developments and publicly driven projects. This effort is reflected in the volume of loans extended over the past year to both formal and informal sectors—albeit with a still modest share—as well as in the availability of credit products tailored to a diverse range of social groups.



Honduras

By Héctor Alcides Figueroa Escobar

Summary

- The Honduran economy in 2024 was characterized by moderate economic growth, accompanied by controlled inflation; however, this was insufficient to reverse deep structural gaps such as poverty (62.9%), labor informality, and the demographic concentration in urban areas, all of which exert significant pressure on access to adequate housing. Accelerating urbanization and the demographic dividend associated with a young population present opportunities for dynamism, but at the same time increase demand for land and housing in contexts marked by limited territorial planning.
- Mortgage lending consolidated its position as the primary mechanism for accessing housing, representing approximately 25% of the financial system's total loan portfolio. However, the increase in the monetary policy rate pushed average lending rates up to 15.4% annually, raising financing costs and constraining households' borrowing capacity.
- BANHPROVI continued to play a key role by offering subsidized preferential rates between 4% and 7%. Nevertheless, the benefits of these preferential rates remained concentrated primarily in the formal sector, excluding a large share of the informal labor force.
- Rising land prices and higher construction costs have shifted supply toward urban peripheries. At the same time, in the absence of a national information system on housing production and a comprehensive national housing policy, underinvestment and limited visibility of housing production constrain promotion, planning, and the targeting of subsidies. This limits the country's ability to address the urban quantitative deficit of 104.7% and the qualitative deficit of 41.2%.

General overview: Macroeconomic and demographic aspects

In 2024, the Honduran economy recorded moderate but stable performance, reflected in GDP growth of 3.6%, broadly in line with trends observed in recent years. Growth was driven primarily by key sectors such as financial intermediation, communications, commerce, hotels and restaurants, and electricity and water, which offset the slowdown in other productive branches more sensitive to international conditions, such as manufacturing and agriculture. This pattern confirms the increasing reliance on services as engines of economic growth.

From a fiscal standpoint, the pace of tax revenue collection was similar to that of 2023, reflecting improvements in the State's capacity to sustain revenue levels. However, challenges persist in terms of collection efficiency and broadening the tax base. At the macroeconomic level, inflation remained moderate, averaging 4.6%, within the target range established by the Central Bank of Honduras. This helped preserve households' relative purchasing power in an environment where prices remained high due to elevated costs of food and other essential goods.

Nevertheless, labor and social indicators reveal the persistence of deep structural gaps. Although the open unemployment rate stood at 5.2%—a relatively low figure compared to the Latin American average—the labor force participation rate reached only 55.8%, highlighting constraints in labor market absorption for the working-age population, particularly women, youth, and other vulnerable groups. It is important to note that informal employment, which in itself reflects a condition of inequality, remains the most prevalent form of employment in the country at 71.2%, constituting the structural basis of inequality in job quality and income levels.

On the social front, the most concerning figure is the household poverty rate of 62.9%. Despite economic growth and relative price stability, this level reveals the limited capacity of the economy to generate equitable well-being. This high level of poverty remains closely linked to labor precariousness, low productivity, and limited investment in human capital and social infrastructure.

Economic developments in 2024 reflected positive but insufficient performance to reverse the country's structural challenges. Economic growth and price stability are important achievements, but they remain fragile in the face of labor market rigidities and an underdeveloped social environment marked by high levels of poverty. As an immediate challenge, Honduras must transform economic growth into social development. This requires a strategy focused on diversification, investment in human capital (education, training, and health), and the implementation of a progressive fiscal policy.

In 2024, Honduras had a population of 9.9 million inhabitants, with a balanced gender distribution: 51% women and 49% men. This pattern reflects both women's higher life expectancy and migration flows that disproportionately affect the male population. Although still relatively rural compared to the Latin American context, the country continues to experience a trend toward urbanization, with 56% of the population residing in cities. This concentration of services and employment in major urban centers simultaneously generates pressures on infrastructure, housing, and territorial planning.

The age structure shows that 58% of the population is under 30 years of age, confirming Honduras's youthful demographic profile. This youth bulge presents an opportunity for development through the demographic dividend; however, it requires adequate education to ensure labor market inclusion, as well as the creation of formal, sustainable, and quality jobs. In the absence of labor inclusion and opportunities in both rural and urban areas, this dynamic may translate into increased international migration and a deeper social reproduction of poverty.

An essential component of Honduras's social reality is its cultural diversity, with 717,618¹³ persons belonging to Indigenous and Afro-descendant peoples, including Maya Chortí, Lenca, Miskito, Nahua, Pech, Tolupán, Tawahka, Garífuna, and English-speaking Black communities. This ethnic diversity constitutes an invaluable cultural heritage but also underscores the need for inclusive public policies that recognize the rights of these peoples, strengthen their participation, and

ensure equitable development conditions in a country marked by social (gender and ethnic) and territorial disparities.

Access to housing for the social interest segment

Financing for housing targeting social interest households depends almost exclusively on mortgage lending intermediated through commercial private banks and funded by BANHPROVI. In 2024, the two main mechanisms were: (a) first-tier banking loans for social interest housing and middle-income populations, with terms of up to 30 years and interest rates published by banks ranging from 4% to 7% depending on the product; and (b) second-tier intermediation, through which BANHPROVI provides funding to banks or financial intermediaries that subsequently grant mortgage loans to the final borrower, maintaining preferential rates (for example, 4% for social interest and 7% for middle-income housing, subject to quota limits) and extended maturities.

Both the preferential rates and extended terms are designed to offset rising land and construction input costs, as well as income informality and limited credit histories, which hinder the placement of reasonably priced mortgage loans to final users.

To contextualize typical price points: a social housing unit valued at HNL 1.2 million is equivalent to approximately USD 48,000; a middle-income unit at HNL 2.5 million to approximately USD 100,000; the common cap for social housing under second-tier financing (HNL 1.3 million) is approximately USD 52,000; and for middle-income housing (up to HNL 4 million), approximately USD 160,000. These figures illustrate that even with preferential rates, affordability depends critically on the installment-to-income ratio and compliance with formal employment requirements.

Key gaps in 2024: (i) Affordability: the required down payment and income verification (which excludes informal workers and lower income quintiles) render formal mortgage credit unviable even at 4%–7% over 30 years; in addition, partial subsidies and guarantees remain limited. (ii) Urban land in structurally consolidated and well-located areas: scarcity and high prices for serviced land make projects financially unviable or push them toward peripheral locations, with additional costs in transport, time, security, and other factors. (iii) Urban development, infrastructure, and construction costs: high volatility in input prices increases final prices and erodes

13 Census data on population and housing, 2013.

the relative advantage of lower interest rates. Moreover, in the absence of an official construction cost index and updated social housing caps, developers transfer cost-overrun risks to prices. (iv) Sectoral or intersectoral procedures and execution risks: permitting, public services, appraisal, and registration processes entail administrative timelines and financial carrying costs; larger risks, such as insufficient public works provision, also affect costs. (v) Public information: there is no coordinated and annually consolidated public information policy supported by a national/infrastructure system of targets and indicators. Nor are there annual production data by segment (including social housing) and by department or metropolitan area; housing and dwelling data are not directly comparable. This limits the ability to size actual production, calibrate subsidies (according to existing segments), define target populations, and establish production goals by segment and territory.

The analysis of housing access in Honduras during 2024 shows that, although BANHPROVI has expanded financing possibilities through first- and second-tier schemes with preferential rates and extended terms, effective coverage of these mechanisms remains limited for the most economically vulnerable sectors. Access to credit continues to be conditioned on the ability to demonstrate formal income, excluding a large share of the population in situations of labor informality.

Likewise, rising prices for well-located urban land and volatility in construction costs reduce the positive impact of preferential rates, shifting supply toward peripheral areas with implications for transport, security, and quality of life. In addition, administrative procedures are often inefficient in terms of response times, increasing financial costs for developers and, ultimately, for final beneficiaries.

The absence of a comprehensive national housing policy and a unified information system capable of tracking annual housing production complicates the definition of objectives, measurement of results, and design of cross-cutting subsidies. In this context, social and middle-income housing emerges as a structural challenge that requires not only affordable financing but also institutional reforms, inclusive urban policies, a clear economic linkage, and a reliable information framework to guide public and private decision-making.

Housing market

In 2024, the housing market in Honduras was characterized by a complex dynamic in which access to mortgage financing played a central role. According to data from the Honduran Association of Banking Institutions (AHIBA), approximately

25% of all credit granted in the financial system corresponded to housing, underscoring the relevance of the housing sector within the national credit portfolio. However, this growth has taken place within a challenging financial environment marked by sustained increases in average lending rates. Between 2021 and 2024, the weighted average lending rate rose from 13.47% to 15.44% annually, increasing financing costs and reducing affordability for a large share of the population.

Against this backdrop, the mortgage market exhibits a dual structure. On one hand, conventional mortgage loans operate under the system's average rates, affecting borrowers who do not qualify for preferential schemes. On the other hand, BANHPROVI has consolidated its role as a key actor by offering, through first- and second-tier banking channels, specific products for social interest and middle-income housing at preferential rates between 4% and 7% annually, with terms of up to 30 years. These products represent a positive exception within the Honduran financial system and seek to broaden the base of beneficiaries, particularly among middle-income households and vulnerable groups.

Structurally, affordability remains the principal obstacle. Even where subsidized rates are available, access to credit depends primarily on the ability to demonstrate stable and verifiable income over a set period in order to determine a manageable financial burden for the household. As a result, a significant proportion of informally employed individuals remain excluded from this possibility. Improvements in macroeconomic conditions—such as lower material costs, reduced interest rates, or lower land prices—benefit housing projects but not necessarily final users, since rising urban land prices and volatility in construction materials substantially increase final prices.

On the supply side, there is no systematized information on housing production at the national level. Consequently, there are no clear data on the number of housing units produced annually, nor disaggregation by housing type (social interest, middle-income, residential). This lack of data limits the ability to design comprehensive public policies and to evaluate the real impact of financing programs.

The housing market in Honduras in 2024 presents a paradox: while mortgage credit maintains a significant share within the banking system, high financial costs, the deficit of reliable information, and the absence of a comprehensive policy framework limit the ability to address housing needs at scale. Although BANHPROVI constitutes a fundamental instrument for reducing the access gap, the challenge remains to generate more inclusive mechanisms, design complementary subsidy and urban land programs, and consolidate an information system that enables strategic sector management in the medium and long term.

Housing mortgage credit market

The housing mortgage credit market in Honduras experienced a period of significant adjustments in 2024, marked by strategic decisions of the Central Bank of Honduras (BCH, 2024) aimed at controlling inflation and stabilizing the economy. In particular, the Monetary Policy Rate (TPM) recorded notable increases: on August 5 it rose from 3% to 4%, and on October 28 from 4% to 5.75% (BCH, 2024).

Although necessary from a macroeconomic standpoint to moderate inflationary pressures, these increases had a direct impact on mortgage loans offered by commercial banks. Between August and October 2024, the average lending rate for new loans in local currency rose from 12.88% to 15.41%.

The rise in interest rates represents a double burden: it reduces households' purchasing power and discourages investment in assets due to the higher cost of money, thereby affecting activity in the construction and commercial sectors. This effect tends to be more pronounced in cities characterized by centralized or vertical development patterns—such as Tegucigalpa and San Pedro Sula—than in cities with horizontal expansion, where land remains available for development. In the former, vertical development requires higher capital outlays, and although these properties are already priced within the credit intermediation market, they continue

to become more expensive over time, limiting the capacity of monetary policy to offset these structural pressures.

In this context, BANHPROVI plays a strategic role. As a public bank, it operates as a mitigating mechanism against rising credit costs in the commercial banking system, providing financing under more favorable conditions for lower-income households and vulnerable sectors. Through transfers of resources from the State, BANHPROVI is able to offer interest rates lower than prevailing market rates, partially cushioning the impact of increases in the Monetary Policy Rate (TPM) on households.

Despite institutional efforts to improve access to housing finance, the effects of monetary policy on private market interest rates remain significant. The gap between credit conditions offered by commercial banks and those provided under preferential programs reflects the growing financial pressure faced by Honduran households seeking to finance a home.

In this scenario, social security institutions—such as INJUPEMP, INPREUNAH, and other pension funds—have assumed an increasingly relevant role as long-term financial intermediaries. These institutions offer mortgage loans at rates below those of the commercial banking system and under more stable conditions for their affiliates, resulting in lower financing costs and longer amortization periods.

Overview of the mortgage system	
What funding sources support housing credit?	Funds from BANHPROVI and private banks.
What is the primary funding source, and what is its share of the total housing credit stock?	83.2% of mortgage loans originate from deposits with private-sector commercial banks.
What types of institutions provide housing loans?	BANHPROVI, commercial banks, cooperatives, and social security institutes.
Which is the main mortgage institution, and what is its market share?	BANHPROVI, with a 60.0% share of the total housing mortgage loan portfolio.
What is the most common type of mortgage product for home purchase?	Fixed rate.
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	Interest rates of 4% for social housing and 7% for middle-income housing (fixed and subsidized). Commercial banks: typically, fixed or variable annual interest rates, generally from 8% to 17%.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	90% with private-sector commercial banks.
What is the typical income commitment for housing mortgage loans?	The maximum debt burden may not exceed 30% of total household income. There is no information available on typical income commitment levels.
What percentage of loans issued during the year received some type of subsidy?	There is no official report.

By providing mortgages under these conditions, social security institutions expand the affordability frontier for formal middle-income households, sustain effective demand for formal urban land, and encourage the development of better-located housing projects, where location is a significant component of final housing prices. Moreover, their participation introduces greater competition into the credit market, contributing to the moderation of spreads applied by commercial entities.

In summary, the mortgage credit market is undergoing a structural adjustment driven by increases in the Monetary Policy Rate (TPM) and lending rates, which raise the cost of credit access. At the same time, the scarcity of available land in consolidated urban areas continues to push housing prices upward. The convergence of these factors underscores the need for complementary public policies and alternative financial instruments that ensure affordability and housing inclusion for households that would otherwise remain excluded from the formal market.

Urban land market

The urban land market in 2024 showed a combination of scarcity of well-located formal land and marked peripheral expansion through gated developments. Land appreciation was concentrated in areas with better accessibility, while the formal supply faced high urbanization costs (land + infrastructure + permitting processes) and bottlenecks in cadastral registration, title regularization, and service connections. Demand pressure—driven by young households, remittances, and the need to replace substandard housing—encountered high lending rates and rising construction costs, which pushed many households toward peripheral lots with incomplete urbanization or progressive self-construction solutions.

The urban land market presents a highly restrictive dynamic for the development of social housing, due to the sustained increase in land costs. Currently, the average price per square meter is around HNL 18,000 (USD 728), representing a structural challenge for developers and for lower-income households seeking access to formal housing.

This price level reflects strong speculative pressure on developable land, particularly in peripheral or intermediate areas of the main cities, where residential expansion competes with commercial and industrial uses. The limited availability of serviced land—road access, energy, potable water, and sanitation—further raises urbanization costs, which are directly transferred to the final price of housing.

The dynamics of the urban land market in 2024 were influenced by the contrast between limited access to developable land with urban services and the cost of financing. BANHPROVI's credit program for social and middle-income housing, along with the availability of pension fund resources for housing at preferential rates, acted counter-cyclically. This increased purchasing capacity in the formal market, improved project bankability, and helped consolidate urban expansion through a process of planned urbanization. To strengthen these effects, it is essential to accelerate land management (cadastral processes, regularization, provision and connection of services, urban endowment, and densification of already consolidated corridors) and to align preferential financing through land instruments (land value capture, incentives for low-cost housing, and densification regulations) that counteract speculative pressure in price formation.

Informality, inclusion, and sustainability

The formal financial system is organized primarily through first- and second-tier banking, operating under regulated frameworks aimed at ensuring legal certainty and stability in transactions. However, this framework of formality contrasts with persistent dynamics of land tenure informality, especially in the northern region of the country, where there has been a resurgence of land invasions by unregistered peasant groups. This situation reflects the tension between access to housing and secure land tenure, which continues to be a structural factor of social and economic exclusion.

In 2024, the Honduran government promoted various strategies to improve access to housing, particularly through subsidized loans aimed at low- and middle-income sectors. These initiatives are coordinated with BANHPROVI funds and private banking, seeking to promote financial inclusion and reduce the housing deficit. Nevertheless, these efforts face challenges related to fiscal sustainability and territorial reach, as populations living in housing or land informality generally do not meet the formal requirements to access these mechanisms.

Data from 2024 reflect a relatively positive situation in terms of housing coverage of basic services. Thus, 90.7% of homes have access to the electricity grid, 93.7% have access to a potable water source, and 93.2% have access to a sanitation system. These percentages are encouraging and show progress in infrastructure and basic services for the population's housing. However, such access cannot

necessarily be considered a sign of social inclusion, since it is well known that difficulties limiting a large segment of the population in the access, use, and enjoyment of services are many and varied. Service quality, continuity, and cost are among the main variables that limit social inclusion, especially in urban and rural peripheral areas. Hence, the gap between nominal coverage and effective access to these services in housing remains one of the principal concerns in terms of sustainability.

The articulation between informality, inclusion, and sustainability highlights the need for a comprehensive approach combining land regularization policies, inclusive financing, and strengthening of public services. Without addressing the structural causes of informality in access to land and housing, subsidy and credit efforts may generate limited and temporary effects. The challenge for Honduras in 2024 is not only to expand access, but to ensure that it is equitable, legally secure, and sustainable over time, reducing the social gaps that continue to fuel territorial inequality.

Summary of indicators	
Indicator	Year 2024
Inflation rate	4.6%
Unemployment rate	5.2%
Informality rate in the labor market	71.2%
Outstanding housing mortgage credit / GDP	5.5%
Public investment in housing/GDP	2.7%
Banking spread	7.54 pp
Quantitative deficit/urban housing stock	104.7%
Qualitative deficit/urban housing stock	41.2%
Homeownership rate	71.5%
Urban housing affordability index (purchase)	N/F
Urban housing affordability index (rental)	N/F
Rate of change in the house price index (national)	N/F
Rate of change in the rent price index (national)	N/F
Households without formal title relative to housing stock	N/F

Outlook, trends and projections

In 2024, the housing market was characterized by the coexistence of increased demand for housing in urban centers—where productive investment is concentrated—with restrictions on households’ purchasing power, stemming from high land costs, rising construction costs, and elevated interest rates in private banking. Well-located urban land continued to increase in price, driven by ongoing demographic pressure, job concentration in cities, and real estate speculation, thereby reducing the feasibility of carrying out affordable housing projects in metropolitan centers. Faced with the limited possibility of acquiring land in central metropolitan areas, supply was pushed toward more distant peripheries, where transportation costs, commuting time, and limited access to basic services directly affect households’ quality of life.

Interest rates played a determining role in demand. Private banking, which accounts for 83% of mortgage placements, passed on monetary policy rate increases to mortgage loans, bringing average lending rates to around 15.4% annually in 2024. This significantly increased financing costs and limited the borrowing capacity of middle- and low-income households. Although BANHPROVI and some social welfare institutions were able to offer preferential rates between 4% and 7%, these products focused on formal segments and failed to cover the broad base of informal households, which continue to rely on progressive self-construction or irregular land markets.

This trend indicates that, although the nominal stock of mortgages expanded, housing affordability declined. The quantitative urban deficit represents 104.7% of households and the qualitative deficit 41.2%, making clear that there is not only a shortage of new housing but also low cadastral registration and that a large share of households occupy housing supplied informally, hindering the incorporation of many families into the financial system while at the same time increasing transaction costs associated with these processes. Formal ownership at 71.5% suggests that these families accessed housing through channels outside the formal market, such as inheritance or land occupation. Many others did so by purchasing unregistered land or exchanging housing, and therefore lack any form of property security. All of this reflects low cadastral registration, which translates into reduced access to formal credit.

Short-term projections indicate that the housing market in Honduras will depend on three structural variables: land prices, interest rates set by monetary authorities, and the state’s capacity to expand the budget allocated to subsidies and preferential credit.

In the absence of comprehensive public policies that provide inclusive credit, adequate land-use and urban development regulations, and financing exclusively targeted to improving informal housing, the expansion of the mortgage market will continue to primarily serve an upper-middle class building to meet its housing needs.

Consequently, the vulnerable population living in poverty and extreme poverty will continue reproducing informality, lacking adequate financing alternatives and decent housing options to meet their housing needs. The strategic challenge for the mortgage and housing market overall will be to exceed the record level of mortgage placements, transforming it into a valuable vehicle for urban and housing inclusion and for the sustainability of urban development.

The impact of mortgage lending on urban inclusion and sustainability can be measured through the reduction of the gap between potential demand for decent, formal housing integrated into the urban environment and real demand—a demand that encompasses the entire national housing supply, both formal and informal, urban and rural.

Looking ahead, the sector's challenges revolve around three critical factors: the high cost of urban land, the exclusion of the informal sector from mortgage credit, and elevated interest rates. Nevertheless, significant opportunities exist if subsidized credit programs are strengthened, sustainable urban planning is promoted in peripheral areas with adequate infrastructure, and large-scale land regularization programs are implemented. Transforming mortgage credit growth into a driver of social inclusion and urban sustainability will be key to closing the gap between potential demand and effective demand for decent housing.



Mexico

By Claudia Castillo Aguilar and Ernesto Infante Barbosa

Summary

- A resilient but deeply inequitable market. Mexico's housing market showed resilience in aggregate figures but deepened structural inequalities. In 2024, inflation stood at 4.21%, the policy rate at 10%, and labor informality at 54.5%. These conditions constrained access to credit and kept social housing in a 'double squeeze'—on the supply and demand sides—that shaped dynamics across the sector.
- Social interest housing (SIH) in retreat. In 2024, SIH production fell to historic lows—66% below 2018 levels—with a shift toward self-production and home improvement programs. While this helped address qualitative backlogs, it left the quantitative deficit among the poorest households unresolved.
- Supply constrained by regulatory and land rigidities. Rising land, input, and bridge-financing costs, together with stricter underwriting standards, limited the sector's response capacity. Lengthy procedures (≈145 days) and the limited availability of serviced land increased housing costs and restricted supply in high-demand areas, reinforcing territorial inequalities.
- Mortgage lending grows in volume but deepens inequities. More than 512,000 loans were originated (+10.2%). However, dynamism depended on Infonavit and Fovissste, while commercial banks concentrated on middle- and high-income segments, excluding lower-income households those outside the public housing funds.
- Green financing has emerged as a structural lever. In 2024, its acceleration supported improvements in access, quality, and bankability within the housing sector. With Mexico's Sustainable Taxonomy (TSM) as a reference framework, an ecosystem linking supply (green bridge loans) and demand (green mortgages) for sustainable housing is consolidating. What was once a niche segment is increasingly becoming a relevant channel to expand well-located, efficient, and climate-resilient housing.

General overview: Macroeconomic and demographic aspects

Mexico closed 2024 with a GDP of MXN 35.32 trillion and an estimated PPP GDP per capita of MXN 259,200. Inflation converged to 4.21%, after peaking at 7.8% in 2022, while Banco de México's policy rate fluctuated between 11.25% and 10%, creating a restrictive financing environment. The average mortgage interest rate stood at 11.47%, while the banking sector reported an average lending rate of 13.15% versus deposit rates of 9.10%, implying a spread of 4.05 percentage points. These credit costs shaped market performance, conditioning household affordability.

Gross Fixed Capital Formation in housing (GFCF) reached 5.3% of GDP, confirming the importance of the residential sector as an investment engine even in a high-rate cycle. Average annual urban income was estimated at MXN 342,200, compared with a median housing price of MXN 1,054,469, placing the price-to-income ratio at approximately 3.1x.

From a sociodemographic standpoint, the country reached 132.27 million inhabitants. Unemployment remained low (2.6%), and labor force participation stood at 59.9%; however, labor informality reached 54.5%, restricting credit eligibility. Nationally, approximately 38.8 million households were recorded within a stock of 38.36 million dwellings, sustaining significant structural demand, reflected territorially in heterogeneous patterns—greater pressure in rapidly growing metropolitan areas and persistent backlogs in slower-growth regions. With poverty at 29.6%, a Gini coefficient of 0.391, and a diverse sociodemographic composition (51.47% women; approximately 30% Indigenous population; 2.4% Afro-descendant population), access gaps are reflected in differentiated housing patterns observed throughout the report (e.g., women's lower participation in mortgages relative to their population weight).

Thus, the combination of high interest rates, elevated informality, and income inequality determined who qualified for housing finance and under what conditions, shaping the 2024 outcomes observed in access, pricing, credit, and land markets.

Access to housing for the social interest segment

In 2024, the production of social interest housing (SIH) fell to 44,500 units, representing just 35% of total supply. This amounted to an 11.2% decline relative to 2023 and a 66% drop compared to 2018. Rising land and input costs, green bridge credit at 14.07% (4.7 percentage points above the policy rate), and low profitability discouraged production. As a result, new SIH consolidated a downward trend, weakening its capacity to serve lower-income households.

The median price-to-income ratio ($\approx 3.1x$) would be moderate under low-rate conditions; however, given current financing conditions (FRM mortgage rates of 11.48% and typical LTV of $\approx 71.6\%$), the payment-to-income burden rose to 28.2% of household income, still within a prudent range. Nevertheless, under these conditions, a social housing unit priced at MXN 660,000 is affordable only from decile V upward (annual income \approx MXN 210,000), leaving the bottom five deciles—formal and informal—outside the mortgage market, where the backlog is concentrated. The primary barrier is not the price level per se, but financing costs and underwriting criteria.

Against this backdrop, the breakdown by purpose shows that access was not limited to new housing and that the system responded to differentiated needs. The 2019–2024 national housing program PNV, through the public mortgage system (INFONAVIT and FOVISSSTE) and CONAVI, sought to offset high-rate constraints via mortgage and non-mortgage schemes (subsidies, co-financing, and microfinance). Together with CNBV, BANJERCITO, and SHF, this resulted in 881,400 interventions for land acquisition, assisted self-production, improvements, and the acquisition of new and existing housing. However, only 114,300 (13%) of these actions were directed to SIH, and just 99,100 (11.2%) corresponded to SIH purchase transactions, evidencing greater attention to the qualitative backlog.

The outcome is a dual gap: on the one hand, millions of households in precarious housing received partial support for improvements; on the other, households lacking formal housing remained excluded due to limited new SIH supply. Affordability in the social segment depends

both on financial instruments that reduce the mortgage burden and on a supply ecosystem capable of producing financially viable, well-located SIH. In 2024, both fronts remained strained, consolidating the quantitative deficit as a critical and unresolved issue for the most vulnerable population segment.

Housing market

Mexico's housing market shows a marked bias toward middle-income and residential segments, where profitability is higher and access to credit is more expeditious. SIH, by contrast, has lost relative weight in total production, concentrating in peripheral areas with limited connectivity and service access.

In 2024, the market showed activity and price appreciation. A total of approximately 483,352 purchase transactions (new and existing housing) were recorded, and the median sale price reached MXN 1.05 million, while median urban rent stood at MXN 10,517. Annual price variation reached +9.23% for sales and +3.96% for rents; in the most populous city, sales increased +5.84% and rents +8%. This divergence suggests that, nationally, property demand combined with supply constraints in specific segments pushed sale prices more than rents, while in the largest urban market rent adjustments were more pronounced, signaling pressure in occupancy and location.

The quantitative housing deficit stands at 474,188 dwellings ($\approx 1.22\%$ of 38.8 million households), and the qualitative deficit at 8,381,545 ($\approx 21.5\%$). In services, coverage reached 99.7% for electricity, 80.6% for water, and 74.5% for sanitation; additionally, 1.05% of dwellings lack an exclusive bathroom. These figures identify the predominant need as raising standards of quality, habitability, and location.

On the supply side, 178,600 construction permits and an average licensing period of around 145 days—compared to 128,140 completed units—reflect permitting and approval bottlenecks that reduce response elasticity in well-served and connected areas. With a housing stock of 38.36 million units, these constraints help explain persistent price and rent pressures even in a high mortgage-rate environment.

The scarcity of affordable urban land in areas with consolidated infrastructure has shifted formal production to remote regions, reinforcing horizontal expansion patterns. This generates rising costs in mobility, service provision,

and urban sustainability. Informal production remains dynamic, though with low construction quality and limited capacity for housing stock replacement.

As a central market challenge, while in SIH the primary obstacle is the lack of affordable production, in the broader market the predominant deficit is qualitative and locational rather than quantitative. This explains why programs have focused on raising standards of habitability and reducing territorial inequalities. However, under this logic, the unattended quantitative deficit impacts the poorest households most severely, while the qualitative deficit persists as the principal determinant of housing inequality nationwide.

Housing mortgage credit market

Mexico's mortgage market is characterized by a high concentration in public intermediaries (Infonavit and Fovissste) and large commercial banks. Underwriting criteria continue to exclude workers with mixed or informal incomes. Mortgage lending includes acquisition, construction, land purchase, refinancing, improvement, and assisted self-production schemes (with mortgage guarantees).

In 2024, performance was heterogeneous: total origination grew 10.2% annually, reaching nearly 512,000 loans for MXN 550.85 billion. However, this dynamism was explained almost exclusively by Infonavit, which registered a 17.4% increase in loan volume relative to 2023 and consolidated its position as the leading originator with a 71.5% market share. This rebound deepened structural dependence on the public sector. By contrast, private banks (CNBV-regulated institutions) reduced loan originations by 4.2%, although average ticket size increased 5.7%, with 99% of lending concentrated in middle- to upper-residential segments. This confirms banks' retreat toward lower-risk, higher-value niches, leaving a vacuum in lower-income segments.

Despite elevated rates (11.48%), the mortgage portfolio remained solid, with an outstanding balance of MXN 2.9 trillion and stable delinquency around 2.8% for private banks and 17.3% for Infonavit. However, composition contrasts are clear: social housing lost weight in commercial banking, accounting for only 0.24% of new bank loans. This marginalization risks rendering social housing a practically non-bankable segment, dependent on public programs or subsidies.

At the same time, housing production showed signs of recovery, with 153,000 new starts, 70.7% of which corresponded to traditional-residential units. This could sustain origination in a high-rate environment, albeit reinforcing the middle-segment bias.

Territorial concentration remained a defining feature: Mexico City (CDMX), Jalisco, Nuevo León, State of Mexico, and Querétaro accounted for more than 52% of loans and 53% of total value. This pattern reinforces market duality—dynamic in high-income metropolitan areas, insufficient for low- and middle-income households outside these regions. Thus, although 2024 closed with a broader and financially sound mortgage market, key findings are clear: momentum came from the public sector; banks retrenched toward lower-risk, higher-value segments; and the access gap in the social segment persists as the central housing policy challenge in the short term.

Green and sustainable products gained space: green mortgages, labeled bonds, and funds aligned with Mexico's Sustainable Taxonomy offer a growth pathway. However, adoption remains incipient, requiring regulatory consolidation in taxonomy-use reporting, greater standardization of performance, traceability, and compliance with "Do No Significant Harm" principles. In 2024, green financing consolidated as a strategic market component by offering supply- and demand-side products whose rate reductions and preferential funding access depend directly on meeting sustainability criteria.

Mechanisms such as SHF's green bridge loan (ECOCASA), green mortgages, green securitizations, and green-covered bonds operate with fee exemptions, ecotechnology integration, and co-financing with CONFINAVIT, enabling competitiveness even under high-rate conditions. These instruments not only channeled capital toward social and middle-income housing, but also provided banks and investors with instruments offering improved risk and liquidity profiles, strengthening market depth. Although their relative weight remains limited, green financing ceased to be a niche and began consolidating as a structural segment within mortgage origination.

Overview of the mortgage system

What funding sources support housing credit?	<ul style="list-style-type: none"> • Special funds based on contributions from formal-sector employees (Housing Subaccount – INFONAVIT) • Private banks authorized by the CNBV.
What is the primary funding source, and what is its share of the total housing credit stock?	Special funds, with a 51.6% share.
What types of institutions provide housing loans?	Public housing agencies (INFONAVIT, FOVISSSTE) and private banks authorized by the CNBV
Which is the main mortgage institution, and what is its market share?	INFONAVIT, with a 71.50% market share.
What is the most common type of mortgage product for home purchase?	FRM mortgage loans.
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	Fixed (FRM): 11.48%; Subsidized (FRM): 8.72%.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	71.6% (typical LTV for first mortgages).
What is the typical income commitment for housing mortgage loans?	27.72% of income (minimum requirement; no maximum cap established).
What percentage of loans issued during the year received some type of subsidy?	N/F

Urban land market

Urban land represents one of the principal structural challenges. Low property tax collection, combined with high transaction costs in formal operations, fosters speculation and the retention of well-located lots. This hinders densification and intra-urban recycling, pushing social housing toward peripheral areas.

In 2024, the operational land framework combined enabling instruments with administrative constraints. The database confirms legal demarcation of social interest areas and densification promotion through zoning, while the average licensing period reached roughly 145 days and around 178,600 construction permits were authorized. The absence of a consolidated national land price series requires inferring behavior from housing price dynamics and annual variation in sales (+9.23%) and rents (+3.96%). Together with prolonged administrative timelines, the system exhibits low supply elasticity in well-serviced locations, consistent with price pressures even under high-rate conditions. In summary, although the policy instruments exist, the speed of execution and municipal capacity to process them ultimately determine whether well-located projects go forward over the year.

On the fiscal and transaction front, the database reports an average property tax of 0.22% (in the most populous municipi-

ality), a variable transfer tax, and income tax on gains/rents between 1.92% and 35%. This structure lowers holding costs (due to low property tax) while increasing formal transaction costs, discouraging intra-urban land recycling and favoring accumulation/retention of well-located plots. The absence of progressive taxation on vacant land or penalties for non-use fosters speculation.

Given the predominantly qualitative deficit and the need for supply in serviced areas, 2024 land market performance reflects the coexistence of: (i) regulations permitting densification and social interest designation; (ii) licensing timelines that slow supply response; and (iii) fiscal signals insufficient to mobilize land toward formal housing projects in well-serviced locations. Regulatory differences across municipalities further generate high compliance costs for developers, reducing supply elasticity. A pro-densification land policy, accompanied by fiscal incentives and one-stop permitting windows, is indispensable to reverse this trend.

Informality, inclusion, and sustainability

Labor informality remains the principal barrier to mortgage financing. Traditional LTV, DTI, and documentary verification

standards do not recognize mixed or non-formal income streams, excluding millions of SIH households. In 2024, labor informality (54.5%) remained the main credit eligibility barrier. Although unemployment was low (2.6%), the absence of documented regular income excludes most informal workers. While Infonavit expanded schemes to serve non-affiliated workers (e.g., Cuenta Infonavit + Crédito Bancario and pilot programs for independent workers), its core portfolio remains concentrated among formal salaried workers affiliated with IMSS, limiting its reach relative to the scale of informality.

In this context, Housing Microfinance (MFV) operated as a regulated complementary channel, with bureau-reported supply not requiring formal property title and with technical assistance, oriented toward improvements and expansions. Its function is consistent with a predominantly qualitative urban deficit.

Access gaps also persist along gender and ethnic lines. Women represent 51.5% of the population but accounted for only 39.2% of mortgages granted, revealing structural inequality in financial access. Indigenous peoples constitute approximately 30% of the population and account for 28.5% of the quantitative housing deficit, while the Afro-descendant population (2.4% of the population) faces an estimated housing backlog of 20.5%. However, there are no official statistics disaggregating mortgage credit distribution by race or ethnicity, limiting visibility of these gaps.

In the rental market, the absence of subsidies, rent vouchers, or public guarantees, combined with income tax (ISR) on formal rental income between 1.9% and 35%, produces a double effect: limited shock absorbers for lower-income households and weak incentives for contract formalization. In sum, the 2024 housing finance system demonstrates that labor informality and financial inclusion gaps remain structural filters, while advances in alternative products (such as MFV) represent initial steps toward reversing inequitable access.

Sustainability and labeled financing. Sustainability emerged in parallel as a key trend. Mexico’s Sustainable Taxonomy established clear eligibility and performance criteria (energy, water, emissions) for sustainable housing and consolidated an integrated supply-and-demand framework. On the supply side, programs such as SHF’s EcoCasa (launched in 2012) demonstrated the technical and economic feasibility of incorporating energy and water efficiency into social and middle-income housing. On the financial side, the Sustainable Taxonomy and the growing appetite for green finance represent an opportunity to channel credit toward energy-, water-, and emissions-efficient housing.

Summary of indicators

Indicator	Year 2024
Inflation rate	4.21%
Unemployment rate	2.60%
Informality rate in the labor market	54.50%
Outstanding housing mortgage credit / GDP	1.47%
Public investment in housing/GDP	17.26%
Banking spread	4.05 pp
Quantitative deficit/urban housing stock	1.56%
Qualitative deficit/urban housing stock	27.7%
Homeownership rate	62.8%
Urban housing affordability index (purchase)	3.3
Urban housing affordability index (rental)	38.5
Rate of change in the house price index (national)	9.23+%
Rate of change in the rent price index (national)	3.96+%
Formal housing supply relative to housing deficit	27.02%
Households without formal title relative to housing stock	N/F

Although voluntary in nature, since 2023 the Taxonomy has established eligibility criteria and performance thresholds enabling the labeling of projects and mortgages and the channeling of capital through green mortgages, green securitizations, and green-covered bonds, supported by dedicated funding and incentives (cost reductions, fee exemptions, eco-technology integration). On the demand side, green mortgage products translate operational savings to households, improving cash flow and, consequently, risk profiles. This facilitates scaling into SIH segments and intra-urban rehabilitation, where efficiency reduces total occupancy costs and strengthens project bankability.

Nevertheless, there remains a regulatory gap in reporting on the use of the Sustainable Taxonomy and in the verifiable compliance with “Do No Significant Harm” criteria and safeguards. This underscores that, although the framework represents a decisive step forward, it is essential to transition toward a regulated and mandatory standard (for reporting and disclosure), with greater rigor in measuring substantial contribution and aligning mortgage financing with the country’s climate mitigation goals. Furthermore, green conditionality in home improvement and self-production programs could serve as a catalyst to close the qualitative deficit gap.

Outlook, trends, and projections

The outlook for 2025–2030 points to a more diversified market shaped by three drivers: (i) a reduction in financing rates and costs; (ii) consolidation of green financing; and (iii) the need for more active land policies. Nearshoring and the expansion of logistics corridors will increase pressure on intermediate cities, demanding planned housing solutions.

Within this context, by 2025 interest rate trends will be the main determinant of absorption rates and households' repayment capacity. With 2024 inflation at 4.21% and the benchmark rate at 10%, any easing in funding costs would be transmitted to mortgage rates and broaden the pool of eligible borrowers, provided prudential parameters remain in place (typical LTV 73.1%, DTI 27.5%–27.72%). Institutional mix observed in 2024 suggests INFONAVIT as a key originator and housing microfinance (MFV) growing in home improvement/expansion for households with informal incomes. With an NPL ratio of 9.81% (by number) and 17.73% (by amount), and a banking spread of approximately 4.05 percentage points, the baseline scenario is one of stability with sensitivity to rates: volumes could be sustained or improve if effective rates decline, while portfolio deterioration would remain contained through credit bureau use, insurance, and underwriting standards.

On the supply side, the differential between sale prices (+9.23%) and rents (+3.96%) in 2024, together with roughly 145 days for permitting and approximately 178,600 permits issued, indicates limited supply elasticity in serviced areas. Without improvements in approval timelines and the mobilization of inner-city land, price pressures are likely to persist in consolidated locations, with activity holding near recently observed levels (≈881,000 transactions) but skewed toward existing units and home improvement.

Given that the urban deficit is predominantly qualitative (8.38 million vs. 474,000 quantitative) and that service coverage shows gaps (water 80.6%, sanitation 74.5%), the largest share of activity will come from upgrading the existing housing stock (services, habitability) and increasing density where zoning permits it. The predictable property tax burden (0.22%) and capital gains taxation on sale/rental (ISR 1.92%–35%) do not, on their own, incentivize land recycling; therefore, supply adjustment is likely to remain gradual absent operational improvements in permitting and land management.

In terms of sustainability and inclusion, the operational green framework (green mortgages/securitization/covered green bonds, dedicated funding, and incentives) together with Mexico's Sustainable Taxonomy create conditions for scaling labeled mortgages and projects (energy/water/emissions), with expected effects on overall affordability (lower house-

hold operating costs) and risk profiles. The sustainable production drive launched at scale since EcoCasa (2012) is now being reinforced from the demand side (green mortgages), suggesting greater penetration in social housing (SIH) and intra-urban rehabilitation.

At the same time, access gaps observed in 2024 (women: 39.2% of mortgages vs. 51.47% of the population; Indigenous peoples and Afro-descendant populations overrepresented in the quantitative deficit) will likely narrow only gradually in the absence of targeted instruments. Regulated housing microfinance (MFV) will remain key for households with informal incomes and for home improvement purposes, while rental housing will continue to lack explicit buffers (no subsidies/vouchers/guarantees), limiting its contribution to inclusion unless support architecture changes.

In sum, the 2025 baseline scenario points to solvent demand sensitive to rates, supply constrained by operational bottlenecks, and the acceleration of green financing as a lever to improve housing quality, location, and bankability. Finally, digitalization and the use of alternative data will open new avenues for financial inclusion for informal workers. At the same time, greater alignment of fiscal and urban policy is expected to unlock inner-city land and facilitate densification. The challenge will be to translate these trends into effective absorption of formal social housing, preventing peripheral self-production from continuing to dominate.

In summary, Mexico faces a structural housing deficit that cannot be resolved through self-production alone. The key lies in scaling formal social housing, combining land policy, inclusive financing, and sustainability standards. Housing will remain a strategic sector for public policy and for the financial system. The challenge is to articulate inter-institutional solutions that combine access, sustainability, and urban competitiveness, leveraging the new macroeconomic cycle to correct structural imbalances.



Panama

By Carlos Antonio Solís Tejada

Summary

- Economic growth and social challenges: Panama's economy grew significantly, with an increase in gross domestic product (GDP) and low inflation. However, unemployment and labor informality increased, and income inequality remained unchanged.
- Progress and persistence of the housing deficit: Improvements were made in housing quality (a reduction in the qualitative deficit), in a country where most households (65%) have managed to obtain a home of their own, often through self-construction. Nevertheless, the quantitative deficit of new housing units persists, highlighting the need for increased housing construction.
- Backlog of subsidy payments: The volume of public subsidies increased from USD 83 million to USD 128 million. It is important to note that this increase was largely due to accumulated arrears from previous years owed to banks, particularly related to the preferential interest rate scheme.
- Mixed market with production challenges: Housing prices remain high, while the number of completed housing units declined, although this is expected to be offset by approved construction permits.
- Sustainability and inclusion barriers: The sector faces challenges such as the lack of sewer connections in 42% of households and the informal occupation of environmental preservation areas. In terms of inclusion, there is low participation of the Indigenous population in mortgage lending and a lack of data on housing microfinance for vulnerable groups.

General overview: Macroeconomic and social aspects

Panama's economy recorded notable performance between 2023 and 2024. GDP grew significantly, rising from approximately USD 83 billion (INEC, 2023) to more than USD 86 billion (INEC, 2024). This growth occurred in a context of exceptionally low inflation, which fell below 1% annually (INEC, 2024), a key pillar of the country's economic stability. Despite price containment, the cost of financing increased. The official policy rate for the banking sector rose, reflected in an increase in the average general lending rate from 7% to 8% (SBP, 2024).

Panama's social situation in 2024 presented important challenges compared to the previous year. The unemployment rate increased significantly, rising from 7.4% (INEC, 2023) to 9.5% (INEC, 2024), which correlates with an increase in labor informality affecting nearly half of the workforce. Despite this context, average household income increased, indicating economic improvement for some segments of the population. However, income inequality, measured by the Gini coefficient, remained unchanged at 0.49 (BM, 2024). The poverty rate declined slightly, suggesting marginal progress in addressing this persistent social challenge.

Access to housing for the social interest segment

Urban housing conditions in Panama showed progress between 2023 and 2024. An encouraging figure is that 65% of Panamanian households own their homes, reflecting advances in the long-standing effort to secure stable housing, often built by their own hands under informal, precarious conditions.

The urban qualitative housing deficit—referring to units requiring improvements not only in structural conditions but also in basic services—amounted to 44,521 units, or 5.4% of the urban housing stock (INEC, 2023). This relatively low incidence suggests sustained efforts to improve existing housing quality and its surroundings. Nevertheless, in 2023 the urban quantitative deficit stood at 6,482 units (INEC, 2023), underscoring the continued need to build new housing to meet demand.

In 2024, public and budgetary subsidies to facilitate formal access to housing expanded significantly, increasing from USD 83 million to USD 128 million (MEF, 2024). It is important to note that this increase was largely attributable to accumulated arrears from previous years, particularly those related to the preferential interest rate subsidy owed to banks. This expansion of support translated into increased participation in direct subsidy programs, which have become the primary instrument for supporting home purchase.

The country has a range of instruments, including interest rate subsidies, housing vouchers, and rental assistance programs designed to reduce households' financial burdens. The objective is to facilitate access to housing and reduce the share of household income allocated to mortgage or rent payments.

According to MIVIOT, between November 1, 2023 and October 31, 2024, USD 63.21 million was disbursed under the Housing Solidarity Fund,¹⁴ which provided a direct subsidy of USD 10,000 for homes priced below USD 70,000. However, these loans represented only a small share of the market (1.09%). This direct subsidy program was discontinued in 2024, and only outstanding payments to developers for approximately 10,000 units remain.

Despite economic growth, housing affordability continues to face persistent challenges. The increase in bank lending rates has made mortgages more expensive. These constraints are compounded by high unemployment and rising labor informality, which limit many households' access to formal credit and stable income. Income inequality also remains unchanged, concentrating economic gains in limited sectors. Although the government has increased subsidy volumes, the persistence of the quantitative deficit and limited poverty reduction indicate that access to adequate housing remains a structural and complex challenge for a significant portion of the population.

Housing market in Panama

Housing prices in Panama have shown an upward trend in recent years. In 2024, the national median home sale price was USD 100,690, while in the most populous city it reached USD 178,752 (Convivienda, 2025). By contrast, the national median rent was USD 356.19 (INEC, 2025), highlighting the gap between sale and rental markets. This dynamic suggests that urban sale prices may reflect value expectations by property owners, while rents more closely reflect tenants' effective purchasing power.

Housing production showed mixed performance. In 2024, housing starts declined to 4,500 units and completions reached 4,800 units (INEC, 2024), indicating a slowdown. However, construction permits increased moderately (6.31%), rising from 3,900 in 2023 to 4,150 in 2024 (Convivienda, 2024). This contrast is significant, because while permits do not guarantee production, they signal industry optimism to continue building for all market segments.

The national housing stock totals 1.595 million dwellings, with an average of 3.3 persons per household (INEC, 2023). The vacancy rate remained at 11.4%, indicating a supply–demand mismatch, possibly due to limited access to affordable housing. In addition, the qualitative deficit persists, underscoring the need to improve the quality of the existing stock. Homeownership remains central, at 65% of dwellings. However, access is challenged by rising prices and limited financing affordability.

Tax incentives play a key role in housing accessibility. In 2024, a 1% property tax applies to properties with cadastral values above USD 120,000, while lower-value properties are exempt. Nevertheless, there is also a 2% transfer tax on residential property sales and a 10% capital gains tax on property transactions. The absence of significant exemptions or incentives for affordable housing construction represents a market challenge.

Mortgage credit market

Mortgage lending in Panama is led by commercial banks, the primary source of financing for home acquisition. Banks and cooperatives offer mortgage loans, although regulatory constraints limit access to information and certain product offerings. Funding sources include domestic deposits and external

¹⁴ The total amount of subsidies was USD 128 million, representing all disbursements made in 2024 by the national government, including the Preferential Interest Rate subsidy, rental subsidies, and the Housing Solidarity Fund, among others.

financing. Despite strong bank participation, the market lacks specialized instruments for financing land and social housing production, limiting diversification for different purchaser profiles. The existence of a real property guarantee is a crucial requirement for loan approval.

Demand for mortgage credit is shaped by access conditions and financing costs. The average new mortgage loan amount was USD 99,706 in 2024 (APC, 2024). With variable interest rates—generally trending upward—access remains challenging, particularly for lower-income households. Eligibility

requirements, including repayment capacity and credit history, exclude a portion of the population despite the presence of financial institutions.

Housing microfinance remains underdeveloped, with no structured market. Access barriers to formal banking remain significant, funding sources are limited, and available information is scarce, underscoring the lack of a robust support framework. This institutional gap restricts access for households unable to qualify for traditional mortgages, exacerbating the housing deficit and hindering the formalization of self-construction

Overview of the mortgage system	
What funding sources support housing credit?	Savings accounts, time deposits, bonds, public resources, and special funds (Social Security Fund).
What is the primary funding source, and what is its share of the total housing credit stock?	Savings deposits.
What types of institutions provide housing loans?	Local banks, national banks, financial institutions, international banks.
Which is the main mortgage institution, and what is its market share?	Banco General, 21.6%.
What is the most common type of mortgage product for home purchase?	Mortgage loans with variable rates and preferential interest.
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	Typical variable market rate: 6.16%. Subsidized rate: 2.00%.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	93.5%
What is the typical income commitment for housing mortgage loans?	35%
What percentage of loans issued during the year received some type of subsidy?	88%. It's worth noting that loans with direct state subsidies often also include preferential interest rates, meaning two types of subsidies. Therefore, this percentage also accounts for loans with direct subsidies.

Urban land market

The supply of urban land in Panama faces serious challenges, as there is no evidence of formal expansion accompanied by new infrastructure in 2024. This reflects a lack of formal development capable of meeting demand. A key factor in this shortage is the absence of a public land bank, which limits the government's capacity to manage and allocate land for development projects. Although the law allows for the legal demarcation of areas of social interest and promotes densification, the data suggest that public land linked to subdivision processes is not being used. This disconnect between the legal framework and actual practice restricts the supply of

urbanized and affordable land, creating a bottleneck in the formal market.

Demand for urban land in Panama is evident, but it is being channeled largely through informal pathways. The growth of informal occupations, at an annual rate of 1.5% between 2010 and 2023 (INEC, 2023), demonstrates the pressure of a population seeking access to housing outside the formal market. This unmet demand is reflected in high land prices, which in turn drive up housing costs. The median sale price of housing in urban areas reached USD 178,752.00 in 2024 (INEC, 2025), a figure that is beyond the reach of a large portion of the population. The existence of a total of 1.6 million dwellings, with an average of 3.3 residents per household, reflects a significant

shift in household composition (INEC, 2023), a factor that affects density calculations for the generation of additional housing.

The principal challenge for the development of an urban land public policy is aligning legal frameworks with their effective implementation. Although laws exist that promote densification and the designation of areas of social interest, the lack of instruments such as a public land bank and the underutilization of state-owned land constitute significant barriers. This ineffectiveness perpetuates informal growth and aggravates the housing deficit. It is crucial for the government to activate these instruments in order to generate a supply of formal and affordable land. In addition, the high costs of land and infrastructure—costs that are ultimately transferred to buyers—must be addressed in order to achieve more equitable access to adequate and sustainable housing for all Panamanians.

Informality, inclusion, and sustainability

Informality is a multifaceted challenge that affects the housing market in Panama, with roots in limited access to formal financial mechanisms. In 2023, informal income accounted for 16% among originated mortgages recorded in the census (INEC, 2023), individuals with this type of income often do not have access to a traditional mortgage loan. This apparent contradiction arises because some banks and lenders assess clients' creditworthiness based on the movement and stability of their bank accounts, allowing self-employed individuals or those with variable incomes to obtain financing, even if this falls into a gray area.

Informality manifests in various forms beyond financing. There is a known informal market for the buying, selling, and renting of residential properties, particularly in working-class and informal neighborhoods. The problem of irregular settlements remains persistent, with 9,929 households classified as squatters according to the most recent census (INEC, 2023). Informal or illegal occupation of plots of land, vacant buildings, buildings designated as historic heritage, and environmental preservation areas is also a reality, creating complex legal and environmental challenges.

Despite government efforts toward land regularization and the urbanization of informal settlements, the number of processes undertaken is insufficient relative to the magnitude of the problem. In 2024, 2,252 land regularization processes were carried out and only 575 informal settlement urbanization processes were implemented (MIVIOT, 2024), a figure that does not compare to the thousands of affected households.

Access to housing in Panama presents significant inclusion challenges, particularly for vulnerable groups such as Indigenous peoples. Disparities in the credit market are evident. According to the 2023 Census, the Indigenous population, which represents 17.2% of the total population, has low participation in residential mortgages.

The 2023 Census also indicates that the situation of the Afro-descendant population, which accounts for 31.7% of the total population, presents a more favorable picture. This group holds a 36% share of residential mortgages, indicating more effective inclusion in the formal credit market and clearly reflecting its level of integration and social mobility.

Women, who constitute 50.4% of the total population, account for a notable 53% of residential mortgages. This figure overrepresents them in the market, suggesting that they are a key driver of mortgage demand and that they enjoy growing financial independence, which is corroborated by their level of participation in the labor market.

A comprehensive assessment of inclusion for these groups is limited by the absence of data on their participation in housing microfinance. This gap prevents a full understanding of whether smaller-scale solutions are effectively reaching those who need them most.

Sustainability in Panama's housing sector faces multiple obstacles. A fundamental challenge is the ongoing informal and illegal occupation of environmental preservation areas, which poses a direct risk to ecosystems.

In addition, according to the 2023 National Population and Housing Census, only 58% of households are connected to the public sewer system. This is due, to a large extent, to urbanization processes—both formal and informal—that do not include adequate basic infrastructure. Many households manage their greywater and wastewater through solutions such as wastewater treatment plants, septic tanks, or latrines without the necessary maintenance, representing a serious threat to groundwater.

The promotion of green housing is virtually nonexistent, as evidenced by the absence of incentives or a dedicated fund for this purpose. This is reflected in a volume of green mortgages of zero dollars in 2024, which limits the transition toward more environmentally friendly and energy-efficient buildings. Although national regulations on green mortgages and green bonds exist, the lack of incentives and dedicated financing prevents their effective implementation in the market.

Summary of indicators

Indicator	Year 2024
Inflation rate	0.7%
Unemployment rate	9.5%
Informality rate in the labor market	49.3%
Outstanding housing mortgage credit / GDP	23%
Public investment in housing/GDP	0.28%
<i>Banking spread</i>	3 pp
Quantitative deficit/urban housing stock	0.8%
Qualitative deficit/urban housing stock	5.4 %
Homeownership rate	65.0%
Urban housing affordability index (purchase)	51.55
Urban housing affordability index (rental)	148.91
Rate of change in the house price index (national)	N/F
Rate of change in the rent price index (national)	N/F
Formal housing supply relative to housing deficit	19%
Households without formal title relative to housing stock	0.6%

A critical area for sustainability is informal urbanization. Unless more effective public policies are implemented, irregular occupations are projected to continue growing. It is imperative that the government activate tools such as a modernized and updated cadastre from which the scope and composition of a public land bank can be derived, and that it streamline regularization processes in order to channel housing demand toward formal and orderly development.

The green housing market and housing microfinance represent growth opportunities that, if incentivized and combined with neighborhood upgrading programs, could diversify financing options and promote more inclusive and sustainable development, while also fostering the integration of so-called informal settlements into the social, economic, and physical fabric of Panamanian cities.

Outlook, trends, and projections

The housing landscape in Panama reveals a market in transition, with economic growth serving as the backdrop to persistent challenges. GDP is projected to maintain its dynamism, which could stimulate greater investment and the development of housing projects. However, the upward trend in interest rates, together with the persistence of unemployment and labor informality, suggests that access to mortgage credit will continue to represent a significant barrier for a large portion of the population.

Looking ahead, the housing deficit—particularly the quantitative component—is expected to continue exerting pressure on the market, requiring a substantial increase in the construction of new housing units. The slight upward trend in building permits may indicate a future acceleration in housing supply, but its effectiveness will depend on how quickly these projects are translated into completed and affordable units. The government is expected to maintain and possibly expand subsidy programs, recognizing them as a vital tool for improving housing affordability and reducing inequality.



Paraguay

By Mentu Aliados

Summary

- Paraguay's economy maintains macroeconomic stability, with moderate inflation (3.8%) and low unemployment (4.6%), although high labor informality (62.5%) and income inequality (Gini coefficient: 0.44) persist.
- Access to housing depends largely on the Financial Development Agency (AFD) and public programs such as FONAVIS, which aim to reduce the housing deficit through subsidies and credit funding.
- The housing market shows higher prices in the capital compared to the national average, while rents remain stable, with moderate annual variation (1.2%), reflecting demand concentration and affordability constraints.
- Mortgage and non-mortgage housing finance continue to present challenges in expanding access. The delinquency rate of mortgage portfolios stands at 3.2%.

General overview: Macroeconomic and demographic aspects

Paraguay's macroeconomic environment presents a mixed but generally favorable outlook. Annual inflation stands at 3.8%, close to the Central Bank of Paraguay's target, suggesting price stability. To contain inflation, the Central Bank maintains a policy rate of 6.0%, using monetary policy to influence lending costs. This is reflected in interest rates faced by households, with an average deposit rate of 4.6% and a significantly higher average lending rate of 13.9%, reflecting a substantial banking spread and making credit more expensive for households and firms.

Despite solid macroeconomic performance, significant social and labor challenges remain. Although the unemployment rate is low (4.6%), labor informality is high, affecting 62.5% of

workers, implying that a majority lack access to social protection and employment benefits. Underemployment, at 3.5%, suggests that part of the labor force is not fully utilizing its skills. These structural weaknesses are reflected in a poverty rate of 20.1%, demonstrating that the benefits of economic growth are not evenly distributed across the population.

Income inequality, measured by a Gini coefficient of 0.44, highlights a pronounced concentration of wealth within a limited segment of society. This disparity, combined with poverty and labor informality, underscores the need for public policies that promote a more equitable distribution of growth.

Access to housing for the social interest segment

In Paraguay, the main source of funding for mortgage lending to households is the Financial Development Agency (*Agencia Financiera de Desarrollo—AFD*). This institution channels second-tier funding for both mortgage and non-mortgage housing loans through banks, finance companies, and cooperatives.

In parallel, FONAVIS, a dedicated national fund for the origination of mortgage loans for families operates under AFD. This constitutes a stable source of resources established by the State to subsidize social housing programs and is aimed at reducing the housing deficit nationwide while stimulating economic activity. Although FONAVIS finances housing programs, it does not depend directly on the annual approved budget; rather, it operates as an autonomous fund with its own resources for managing housing subsidies and loans.

Funding for the housing fund includes an initial State contribution of PYG 30 billion, annual Treasury contributions equivalent to 0.1% of GDP, 5% of royalties from Itaipú and Yacyretá allocated to the central government, and additional resources

from domestic and external loans, donations, or bequests earmarked for housing programs.

Housing market

An analysis of key housing market indicators provides a general overview of the sector. The housing stock (total number of dwellings) stands at 2.085 million units. Average occupancy is 3.5 residents per dwelling. A critical indicator is the vacancy rate, which reaches 16.1%, suggesting that a significant share of the housing stock remains unoccupied—an important factor for urban planning and housing access policies, particularly in the context of a housing deficit (if such information were available).

The Paraguayan housing market exhibits notable price variation. The median national sales price of a dwelling is PYG 1 billion. However, this value increases significantly in the capital, where the median price reaches PYG 1.37 billion, compared to PYG 845.16 million in urban areas nationwide. This concentration of higher prices in the capital reflects strong demand and a higher cost of living in the country’s principal urban center. Available data indicate that the main challenge in the housing sector lies in the quality of existing units. The quantitative deficit (new housing needed) amounts to 34,938 units,

while the qualitative deficit (dwellings requiring significant improvements) is substantially higher, at 511,523 units. This underscores the urgency of directing housing policy toward rehabilitation and upgrading, in addition to new supply.

In the rental market, prices are more homogeneous. The national median rent stands at PYG 4.5 million, which is also the level observed in the most populous city, while in urban areas generally the median is PYG 3.5 million. The annual variation in the rental price index is 1.2%, indicating moderate rent growth below inflation. The Central Bank uses a specific index to monitor rents and housing maintenance, highlighting the segment’s relevance for the economy. However, there is no national sales price index.

Mortgage credit market

Data on mortgage credit for housing contracted during the year only include second-tier financing for the acquisition of new dwellings through AFD, totaling 2,016 units financed during the period. While complete market data are unavailable, the total outstanding housing loan portfolio amounts to PYG 7.745 trillion. This figure corresponds to the total outstanding stock of housing loans; the Central Bank does not differentiate between loans with or without mortgage guarantees.

Overview of the mortgage system	
What funding sources support housing credit?	<ul style="list-style-type: none"> • Second-tier banks • Deposits from the financial system • Long-term funds • Public programs and funds • Capital market
What is the primary funding source, and what is its share of the total housing credit stock?	<ul style="list-style-type: none"> • Second-tier banks–AFD • These loans account for 57% of bank housing loan portfolios
What types of institutions provide housing loans?	<ul style="list-style-type: none"> • Commercial banks • Cooperatives • Private financial institutions • Second-tier banks and state programs
Which is the main mortgage institution, and what is its market share?	Banco Itaú Paraguay, with a 26.75% market share.
What is the most common type of mortgage product for home purchase?	-
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	No data available for fixed, variable, or subsidized interest rates, but the weighted average general interest rate is 8.8%.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	No specific data for the loan-to-value ratio found.
What is the typical income commitment for housing mortgage loans?	No specific data for the typical income commitment for mortgage loans found.
What percentage of loans issued during the year received some type of subsidy?	No specific data for the percentage of subsidized loans issued in 2024 found.

Regarding housing loan portfolios (including both mortgage and non-mortgage credit), the reported delinquency rate is 3.2% of total outstanding balances. The leading institution is Banco Itaú Paraguay, a private bank not specialized in mortgages, with a market share of 26.8%. The weighted average interest rate for housing loans stands at 8.81%. In addition, Islamic/Sharia-compliant financing does not exist within the system.

It is worth noting that the 2024 FONAVIS budget amounts to PYG 738.485 billion, representing approximately 10% of total housing credit outstanding in banks as of year-end 2024.

Urban land market

Urban growth—both formal and informal—and the pace of new land occupation are key to understanding city expansion. However, Paraguay lacks public data that would allow quantification of these phenomena, although high labor informality suggests significant growth in informal settlements.

In terms of land management, there is no public land bank, nor systematic data on underutilized or subsidized intra-urban land. Nevertheless, legal mechanisms exist, including the designation of social interest areas and the promotion of densification. Urban planning instruments are grounded in Law 3966/10 (Organic Municipal Law), which requires municipalities to undertake territorial planning through a sustainable development plan and an urban and territorial land-use plan. This regulatory framework requires the delimitation of urban and rural areas and regulates land use, subdivision, construction, public space advertising, building safety standards, and cadastral administration. However, the law does not exhaust the range of available urban instruments.

In practice, municipalities may complement this framework by incorporating tools such as the Director Plan, progressive property taxation, expropriation through bonds, special usufruct arrangements, surface rights, rights of first refusal, building concessions, neighborhood impact studies, and inclusionary housing quotas, derived from instruments such as the Civil Code, the Tax Code, the Expropriation Law, and local ordinances. Thus, Paraguay's urban system combines mandatory regulatory instruments with management and equity tools activated through complementary municipal regulation.

Informality, inclusion, and sustainability

Paraguay's housing sector has shown progress in the production of certified dwellings. However, the country still lacks a national regulatory framework for green mortgages, limiting access to financing for sustainable housing. The absence of comprehensive data on housing investment further constrains assessment of the sector's dynamism and growth potential.

Summary of indicators

Indicator	Year 2024
Inflation rate	3.8%
Unemployment rate	4.6%
Informality rate in the labor market	62.5%
Outstanding housing mortgage credit / GDP	N/F
Public investment in housing/GDP	0.33%
<i>Banking spread</i>	9.30%
Quantitative deficit/urban housing stock	N/F
Qualitative deficit/urban housing stock	N/F
Homeownership rate	N/F
Urban housing affordability index (purchase)	N/F
Urban housing affordability index (rental)	N/F
Rate of change in the house price index (national)	N/F
Rate of change in the rent price index (national)	N/F
Formal housing supply relative to housing deficit	1.2
Households without formal title relative to housing stock	0.5%

The analysis of the quantitative housing deficit based on data from the 2022 Census reveals a high concentration among women, who account for 50.0% of this deficit. Indigenous populations represent 2.3%, and according to the Survey on the Afro-Paraguayan Population (EPAP), Afro-descendants account for only 1.5%. These annual figures, expressed as percentages, highlight how unmet housing needs disproportionately affect different demographic groups. There are no available data on the Afro-descendant population or their access to mortgages or microfinance.

Access to basic services in households is high: 98.6% are connected to electricity, 91.9% to water, and 90.8% to sanitation. This reflects significant progress in quality of life, although information gaps remain regarding housing investment and full sanitation service coverage.

Outlook, trends, and projections

Although information on the mortgage market remains limited, available data suggest a system in consolidation. The financing of 2,016 new dwellings in a single year represents a relevant starting point that could expand if access mechanisms and public support programs are strengthened. The delinquency rate of 3.2%, while moderate, underscores the importance of maintaining prudent banking policies to preserve system stability. In this context, institutions such as AFD and leading private banks, including Banco Itaú Paraguay (26.8% market share), will shape the market's evolution.

Current interest rates, with a weighted average of 8.81%, may constrain demand expansion, particularly among low-income households, as mortgage borrowers tend to belong to middle- and higher-income segments. Nevertheless, macroeconomic stability and programs such as FONAVIS provide a supportive framework for gradual growth in housing loan origination. Going forward, key priorities include diversifying credit products, reducing reliance on second-tier funding, and exploring new capital market funding sources in order to generate more inclusive and sustainable access to housing.



Peru

By Francisco Javier Caro Calderón

Summary

- Preference for self-construction: Households typically build progressively on their own plots of land.
- Household income and informality: A large share of the population (over 70%) is engaged in the informal economy. In urban areas, average monthly labor income (total compensation received by dependent and independent workers in their primary or secondary activity, including extraordinary income) stood at PEN 1,927.60 in 2024. Both factors limit access to mortgage credit.
- Subsidies play a critical role in expanding households' ability to pay.
- Land prices in consolidated areas of Lima and major cities are high, constraining social housing projects.
- Rural-to-urban migration continues to place pressure on Lima and other major cities (Arequipa, Trujillo, Chiclayo, Piura).

General overview: macroeconomic and demographic aspects

In recent years, economic growth has remained moderate, accompanied by controlled inflation and a monetary policy focused on financial stability. However, the slowdown in formal employment and persistently high levels of informality constrain savings capacity and limit access to mortgage credit for broad segments of the population.

From a demographic perspective, Peru is undergoing a transition phase marked by gradual population aging and a sustained decline in fertility rates. Nevertheless, the demographic dividend still offers a window of opportunity,

as the majority of the population remains of working age and urbanization continues to expand, with more than 83% of residents living in cities. This largely unplanned urbanization process has fueled the expansion of informal settlements and placed strong pressure on serviced urban land.

Taken together, these factors underpin an environment of growing housing demand—particularly among lower-income segments—but with structural constraints linked to limited household purchasing power, insufficient formal land supply, and a lack of financial instruments tailored to progressive housing and structural upgrading.

Access to housing for the social interest segment

Access to adequate housing in Peru remains a structural challenge, particularly among lower-income segments. Despite progress achieved through programs such as TechoPropio and Fondo MIVIVIENDA, the housing gap remains significant: the housing deficit exceeds one million units, of which more than 70% corresponds to a qualitative deficit. This situation reflects limitations in the current social housing provision model, which is primarily focused on the construction of new units and does not sufficiently address the needs of families requiring home improvement or expansion.

Access to financing poses the main obstacle for households seeking social interest housing. High labor informality, low banking penetration, and the absence of credit histories exclude most of these families from the formal mortgage system. As a result, progressive self-construction has become the primary pathway to housing access, albeit under conditions of informality and without technical assistance. While this process partially addresses

demand, it perpetuates structural deficiencies and limits the consolidation of safe and sustainable neighborhoods.

In response, housing policy faces the challenge of expanding financial access and diversifying instruments, incorporating credit modalities adapted to progressive construction and home improvement. Such policy must also expand the supply of serviced urban land, strengthen technical assistance, and align housing programs with territorial planning. Only through an integrated approach combining financial inclusion, tenure security, and urban sustainability will it be possible to guarantee the right to adequate housing for social interest households.

Housing market

The Peruvian housing market reflects the country's structural economic inequality and social segmentation. Over the past two decades, sustained growth in the real estate sector has been driven primarily by middle-income demand, supported by access to mortgage credit and State subsidy programs. However, a significant share of the population—particularly households with informal or variable incomes—remains excluded from the formal housing market, contributing to the expansion of self-construction and urban informality. This dual structure has produced a market in which modern real estate development coexists with large segments of the population accessing housing through informal or unregulated mechanisms.

Formal supply exhibits strong geographic and corporate concentration. Metropolitan Lima accounts for more than 60% of units offered and the majority of private investment in the sector, while intermediate cities show more incipient growth, primarily oriented toward self-construction. Urban land prices and construction costs have followed an upward trend, constraining developers' capacity to undertake projects in the social interest segment. This situation underscores the lack of effective mechanisms to expand the availability of serviced urban land and reduce costs associated with formal development.

On the demand side, both qualitative and quantitative deficits remain high, driven by household growth and migration toward urban areas. Limited purchasing power and the insufficient availability of flexible financial products restrict the formation of an inclusive market. In this context, it is a priority for housing policy to promote instruments that better align the formal market with the population's real needs, encourage progressive produc-

tion with technical standards, and foster more efficient land markets. The consolidation of a more equitable and sustainable housing market requires greater coordination among urban policy, housing finance, and land management.

Mortgage credit market

Peru's mortgage credit market has expanded steadily over the past two decades, driven by macroeconomic stability, middle-class growth, and the active participation of the financial system in offering mortgage products. However, market deepening remains limited compared to other countries in the region, with a mortgage portfolio equivalent to 6.6% of GDP and approximately 295,000 mortgages in banks' portfolios. Most financing is concentrated in middle- and upper-middle-income segments and shows low delinquency rates (below 3%), while lower-income households face serious access barriers stemming from labor informality, lack of credit history, and limited availability of products tailored to their repayment capacity.

The State, through MIVIVIENDA, has played a key role in stimulating demand and reducing credit risk through subsidy instruments such as the Bono del Buen Pagador and the Bono Familiar Habitacional. These mechanisms have expanded access to formal housing and promoted competition among financial institutions. Nevertheless, structural challenges persist, including the concentration of supply in Lima and major cities, limited financing instruments for progressive construction, and the underdevelopment of secondary mortgage markets capable of providing greater liquidity to the system.

Looking ahead, the sustainability of the mortgage market will depend on its ability to reach informal and rural sectors through innovative financial solutions, flexible guarantee schemes, and public-private partnerships. Strengthening financial education, digitalizing processes, and expanding products adapted to assisted self-construction represent opportunities to broaden mortgage coverage and contribute to reducing the housing deficit more equitably and sustainably.

Overview of the mortgage system

What funding sources support housing credit?	Commercial banks primarily use savings and time deposits as funding sources for mortgage loans. A secondary source is government funding channeled through the MIVIVIENDA Fund.
What is the primary funding source, and what is its share of the total housing credit stock?	Deposits, accounting for 70%.
What types of institutions provide housing loans?	Private financial institutions are the primary issuers of housing loans. In recent years, Banco de la Nación, an entity established under public law, has also offered housing loans.
Which is the main mortgage institution, and what is its market share?	Banco de Crédito is the leading issuer of housing loans, with a 32.8% market share.
What is the most common type of mortgage product for home purchase?	FRM mortgage loans with full amortization.
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	Variable-rate mortgage products are not available in the Peruvian market, while housing loans receive direct subsidies. The typical fixed interest rate is 9.4%.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	90%
What is the typical income commitment for housing mortgage loans?	27%
What percentage of loans issued during the year received some type of subsidy?	27.8%

Urban land market

Limited access to serviced land reflects multiple structural factors: weak urban planning, the absence of municipal land management mechanisms, poor coordination across levels of government, and real estate speculation that drives up urban land prices. In addition, outdated cadastres and informal tenure hinder the identification and mobilization of land suitable for housing development. In this context, the gap between formal and informal urban land values widens, excluding broad segments of the population from the benefits of planned urbanization.

Addressing these constraints requires strengthening land management and generation instruments, including land banks, land value capture mechanisms, and progressive urban upgrading programs. A housing policy aligned with land policy is also needed—one that promotes efficient land use, encourages densification in consolidated areas, and ensures land reserves for social housing. Only through active urban land management will it be possible to reduce housing costs, foster social inclusion, and steer urban growth toward more sustainable and equitable development.

Informality, inclusion, and sustainability

Informality is one of the defining structural features of Peru's urban and economic development. More than 70% of households have accessed housing through informal acquisition processes or self-construction, in the absence of planning, regulation, or technical assistance. While this model has expanded access to land and housing, it has also produced fragmented cities with deficits in basic services, tenure insecurity, and low construction quality. As such, informality reflects not only economic constraints but also institutional weaknesses in the State's capacity to manage territory and provide viable alternatives for lower-income populations.

In this context, urban and housing inclusion requires recognizing the dynamics of informality and incorporating them into the solution. This entails designing differentiated policies that promote progressive formalization, neighborhood upgrading, technical assistance in construction, and access to housing microfinance. Inclusion should not be understood solely as the regularization of property titles, but as the full integration of households into the urban fabric—with services, connectivity, security, and economic opportunities. Developing financial products adapted to the economic realities of these segments—characterized by low banking penetration and high informality—remains a pending challenge.

Summary of indicators

Indicator	Year 2024
Inflation rate	1.9%
Unemployment rate	5.6%
Informality rate in the labor market	70.9%
Outstanding housing mortgage credit / GDP	6.5%
Public investment in housing/GDP	0.15%
<i>Banking spread</i>	12.6%
Quantitative deficit/urban housing stock	4.25%
Qualitative deficit/urban housing stock	11.03%
Homeownership rate	76%
Urban housing affordability index (purchase)	25.7
Urban housing affordability index (rental)	154%
Rate of change in the house price index (national)	-4.6%
Rate of change in the rent price index (national)	N/F
Formal housing supply relative to housing deficit	24.9%
Households without formal title relative to housing stock	0.5%

Sustainability represents the long-term objective of this transformation. The volume of green mortgages originated in 2024 reached PEN 1.26 billion, with 6,170 green loans issued. Since 2016, the Fondo MIVIVIENDA has been promoting sustainable mortgage financing, increasing from just 27 green loans in its launch year to nearly 6,000 in 2024.¹⁵ In addition, commercial banks have received resources from bilateral organizations, such as the IFC, to leverage financing through green mortgages.¹⁶

However, much remains to be done. Sustainable urban development requires combining social equity, economic efficiency, and environmental resilience. This entails strengthening territorial planning, promoting efficient land management, encouraging densification in consolidated areas, and reducing cities' ecological footprint. Only by integrating informality within an inclusive and sustainable vision will it be possible to build more equitable, livable, and competitive cities in the long term.

Outlook, trends, and projections

Peru's housing market is entering a period of adjustment marked by economic deceleration, slower formal job creation, and persistent high levels of informality. Although the macro-economic environment remains stable—with controlled inflation and a solid financial system—mortgage market depth continues to be limited, representing only 6.5% of GDP. The expansion of the middle class and the programs of the Fondo MIVIVIENDA have sustained formal demand; however, the majority of households—largely informal—remain excluded from the mortgage market and rely on progressive self-construction as their primary access pathway.

Structural trends reveal a dual housing system. While middle-income sectors sustain the formal market, housing for lower-income groups develops under conditions of informality, without technical assistance or access to serviced land. The central challenge is therefore to expand financial inclusion through products adapted to incremental housing, flexible guarantee schemes, and housing microfinance. Active urban land management, progressive upgrading with services, and the promotion of densification in consolidated areas are essential to reduce costs and bring formal supply closer to real demand.

In the medium term, projections point toward a housing policy model that integrates inclusion, sustainability, and resilience.¹⁷ This requires aligning housing policy with territorial planning, mobility, and local economic development, promoting public–private partnerships to support progressive production with technical standards. If Peru succeeds in strengthening land management, consolidating financing mechanisms for assisted self-construction, and harnessing its demographic dividend, it will be able to transform the current housing deficit into an opportunity to build more equitable, sustainable, and competitive cities.

¹⁵ <https://mashaperu.com/estadísticas>

¹⁶ <https://www.ifc.org/es/pressroom/2024/28078>

¹⁷ <https://cdn.www.gob.pe/uploads/document/file/2262477/Resumen%20de%20la%20Política%20Nacional%20de%20Vivienda%20y%20Urbanismo.pdf>



Uruguay

By Carlos Mendive and Pedro Mendive

Summary

- Based on data from the 2023 census, household growth—the unit of demand in the housing market—has been driven by a decline in average household size amid very low population growth. At the same time, the population structure shows increased aging.
- Over the past decade, a new housing investment and financing system has taken shape. The *Vivienda Promovida* housing program, in particular, has generated new housing supply in central and intermediate areas of Montevideo, primarily for the rental market.
- In recent years, housing affordability has improved, as rents have grown more slowly than household incomes. Meanwhile, the number of mortgage loans granted for home purchases in 2024 reached its highest level in at least 25 years.
- The qualitative housing deficit—measured using the unmet basic needs methodology associated with housing services—has improved when comparing the 2023 census with 2011. Informality, measured by the number of informal settlements, has remained relatively stable over the past 20 years. Informality measured through tenure distribution shows mixed trends.

General overview: Macroeconomic and demographic aspects

Uruguay's economy recorded annual GDP growth of 3.1% in 2024, reaching a level 6.4% above 2019. This recent growth has supported a recovery in real wages, which stood 2.4% above pre-pandemic levels. The unemployment rate reached 7.4% in December 2024, continuing the downward trend observed since the end of the pandemic. Inflation declined under a con-

tractionary monetary policy, reaching 5.5% in December 2024. Public finances registered an increase in the fiscal deficit to 4% of GDP, while the country's sovereign rating remained at investment grade.

From a demographic standpoint, population growth between the 2011 and 2023 censuses was notably low (2.5%). Absent immigration—primarily from other Latin American countries—the population would have declined. However, for purposes of assessing housing demand, 2023 Census data show that, due to the reduction in average household size, the total number of households increased by approximately 15% between 2011 and 2023. Combined with population aging, the growth in smaller households has naturally altered housing needs and demand, both in construction characteristics and location.

Access to housing for the social interest segment

For the purposes of this report, the most appropriate indicator of housing affordability is household purchasing power in the rental market, since this is where supply and demand for housing services are directly expressed. By contrast, housing prices in the homeownership market are determined, as an asset, largely by capitalization rates shaped by capital market conditions. In Uruguay, an additional feature of the housing market is its dollarization: although housing prices should fundamentally be linked to household income dynamics short-term developments are influenced by fluctuations in the real exchange rate.

Within this context, both main sources of rental price data—the consumer price index (CPI) and the Continuous Household Survey (ECH)—show a decline in rents when adjusted for inflation and relative to household income, although the magnitude varies across sources. For rents regulated under Uruguay's long-standing tenancy sys-

tems, cointegration analysis (Mendive, 2025)¹⁸ suggests that the decline observed since 2018 cannot be explained solely by income trends. The most plausible explanation appears to be a combination of downward rental dynamics beginning in 2018–2019, driven by increased supply under the Vivienda Promovida housing program and a temporary decline in household income that later reversed following the pandemic.

In Montevideo, improved affordability has coincided with an increase in renter households (from 26% to 32%) and a decline in formal homeowner households (from 46% to 39%). Occupancy with permission has declined, while informal tenure (owners without land title and occupants without permission) has increased. According to ECH data for Montevideo, households in the lowest income quintiles have increased their share in the rental market and simultaneously reduced the rent-to-income ratio (RIR) between 2019 and 2024. However, these sectors continue to show high rent burdens (an average RIR of 32% in the second decile in Montevideo). Affordability constraints among these groups are partially mitigated through less formal access strategies, such as occupancy with permission or direct informality.

A more comprehensive assessment of affordability should incorporate the supply of housing services within the existing stock, construction characteristics, location, and the tenure security associated with different forms of occupancy.

Housing market

In Uruguay, the housing sector accounts for approximately 25% of total investment through gross capital formation. Households allocate, on average, 17% of their income to rent payments: 18.5% in Montevideo and 16% elsewhere¹⁹ in the country.

Regarding prices, the National Institute of Statistics (INE) discontinued the series on transaction prices and quantities in the home purchase market after 2020; consequently, recent developments are based on asking prices published on major real estate platforms. According to Inmuebles Data, average housing prices in 2024 increased by 5% in U.S. dollars compared to 2021, while declining by 20% in inflation-adjusted Uruguayan pesos. As home purchase prices are denominated in dollars and the Uruguayan peso appreciated significantly during this period, affordability improved. However, the high

degree of dollarization in the housing market introduces distortions and reduces decision-making efficiency among market participants.

On the supply side, the most significant development has been new housing construction under Vivienda Promovida's tax incentive framework (Law 18,795 of 2011). In Montevideo—where program response been strongest—the program targeted residential projects with limited construction features and located in an area that excluded higher-income neighborhoods. As a result, the program has helped regenerate central and intermediate areas of the city that had been in decline in previous decades. It has become a powerful instrument for redirecting private residential investment within the city.

In 2024, the program reached its highest level of approved units, partly due to increased flexibility regarding price caps for rentals in Montevideo and high-income areas of the metropolitan region. This flexibility supported construction activity during a period of low economic growth following the pandemic.

Mortgage credit market

In 2024, the number of mortgage loans granted reached its highest level in at least 25 years, continuing the upward trend observed since 2021. In addition to household income recovery, mortgage growth has occurred amid currency appreciation in a dollarized market, making home purchases more affordable. The average loan amount in inflation-indexed units (UI) has declined, while the average amount in U.S. dollars has increased (USD 92,300 in 2024).

Following the 2007 tax reform, loans denominated in national currency—either nominal or indexed—are exempt from VAT on interest payments. As a result, 98.3% of housing loans are denominated in inflation-indexed units (UI). Interest rates on UI loans have declined since 2017 and stood at 4.7% in 2024.

According to banking sector information, mortgage lending is concentrated among middle-lower to middle-upper income segments and has primarily financed the purchase of existing housing units.

¹⁸ "An Approximation of the Costs and Benefits of the Promoted Housing Program," Carlos Mendive, Center for Economic Studies of the Construction Industry, 2025.

¹⁹ These ratios refer to the relationship between total rents and incomes excluding imputed rental value for each region, whereas the ratio shown in the table (19.7%) is the quotient between the national average rent and the national average income excluding imputed rental value.

Overview of the mortgage system

What funding sources support housing credit?	The primary funding source for housing loans in the banking system comes from short-term deposits and Certificates of Deposit. At BHU, this is complemented by the issuance of Negotiable Obligations, and at HSBC by the issuance of Mortgage Credit Notes.
What is the primary funding source, and what is its share of the total housing credit stock?	The primary funding source for banks is short-term deposits.
What types of institutions provide housing loans?	In the private sector, the primary institutions are banks. The National Housing Fund (government) provides direct loans, outside the banking system.
Which is the main mortgage institution, and what is its market share?	The main banking institution is Banco Hipotecario del Uruguay (a state-owned bank).
What is the most common type of mortgage product for home purchase?	Loans denominated in Indexed Units at a fixed rate, currently accounting for 98.3% of the market, with the remainder denominated in U.S. dollars.
What are the typical interest rates (fixed, variable, and subsidized, respectively)?	Indexed Unit loans carry a fixed real rate of 4.7%.
What is the typical loan-to-value (LTV) ratio for housing mortgage loans?	N/F
What is the typical income commitment for housing mortgage loans?	N/F
What percentage of loans issued during the year received some type of subsidy?	1.7%

Urban land market

Demand for residential urban land stems from diverse housing needs. In the Montevideo metropolitan area, this demand reflects heterogeneous dynamics.

First, demand has been driven by migration from Montevideo to its metropolitan outskirts. Montevideo's population declined by 5.4% between the 2011 and 2023 censuses, although the number of households increased. Migration has naturally generated differentiated pressure on urban land: developments targeting high-income households have concentrated in the eastern corridor, while middle- and lower-income developments have expanded toward the north and west. The result has been metropolitan expansion and a decline in average population density in Montevideo.

Second, in a context of smaller households and an aging population, Vivienda Promovida has addressed demand by leveraging land within already urbanized areas. The housing program encourages more intensive land use and urban regeneration to generate new housing stock, thereby improving urban service provision. In this context, land costs in promoted housing

developments typically represent no more than 10% of the final unit sale price.

Informality, inclusion, and sustainability

The National Registry of Informal Settlements (RNAI) reports 667 informal settlement clusters nationwide as of 2024, housing between 176,000 and 200,000 people. The number of informal settlements has remained within its historical range, although 204 settlements became inactive following public programs for regularization, neighborhood upgrading, and relocation.

Informality can also be analyzed through housing tenure distribution. Under this approach, informality includes homeowners without land title and occupants without permission. According to the 2023 census,²⁰ 9.3% of households fall into this category. However, according to the 2024 ECH, the rate is 5.2%. Geographic variation is significant: Montevideo 7.8%; urban interior (over 5,000 inhabitants) 2.3%; smaller urban and rural areas 2%.²¹

²⁰ It should be noted that for the 2023 Census, according to the PQV 2025–2029, “in the case of persons residing in informal settlements, the undercount ranged between 10.1% and 21%. Similarly, the undercount for the lowest socioeconomic stratum in Montevideo ranged between 11.8% and 23.2%” (ENEC, 2023).

²¹ For the 2024 ECH, it should be taken into account that the expansion factors result in the same number of household members as in the 2011 census, which differs substantially from the 2023 Census.

Summary of indicators

Indicator	Year 2024
Inflation rate	5.5%
Unemployment rate	7.4%
Informality rate in the labor market	21.2%
Outstanding housing mortgage credit / GDP	3.9%
Public investment in housing/GDP	0.4%
<i>Banking spread</i>	9.4 pp
Quantitative deficit/urban housing stock	N/F
Qualitative deficit/urban housing stock	5.02%
Homeownership rate	57.3%
Urban housing affordability index (purchase) PIR*	N/F
Urban housing affordability index (rental) RIR	19.7%
Rate of change in the house price index (national)	N/F
Rate of change in the rent price index (national)	5.14%
Households without formal title relative to housing stock	9.3% (housing informality)
Domicílios sem titulação formal em relação ao estoque de domicílios	9,3% (situação de in-formalidade em domicílios)

Another tenure category that may be associated with informality—despite internal heterogeneity—is occupancy with permission. According to the 2023 census, this category represents 11% of households; in the 2024 ECH, 21%. It is more prevalent among lower-middle and lower socio-economic groups and reflects access strategies based on informal agreements with property owners, often involving family arrangements.

Outlook, trends and projections

On the demand side, a key factor is population dynamics and demographic structure. Population projections published by the INE in 2025 indicate a clear trend toward population decline and further aging. However, there are no projections of household formation—the effective unit of housing demand. In any case, housing demand is expected to be increasingly driven by smaller and older households.

This demographic profile suggests growing demand for smaller housing units, particularly in areas with better access to urban services. It is consistent with greater densification and new multi-story residential supply in central and intermediate urban areas. This trend has already become evident over the past decade in the supply response under *Vivienda Promovida*.

By contrast, the past decade has seen continued metropolitan expansion, particularly among higher-income households seeking newer housing with access to green space, gated communities, and shorter commutes. This trend has contributed to the emergence of a new urban hub along the coastal corridor, increasingly competing with Montevideo's traditional downtown as a center for office and commercial activity.

For lower-middle and lower-income groups, housing demand will depend on improvements in purchasing power, driven by income recovery and improved housing service quality within the existing stock. Housing policy plays a key role in improving allocation of durable housing stock, particularly through new supply targeting middle-income segments. Complementary housing and habitat policies will also be necessary to enhance living conditions among lower-income sectors.

3. Statistics by topic



The statistics presented in this section constitute the foundation for all sections of the Yearbook. They consist of compilations prepared by specialist consultants based on a standardized questionnaire covering 261 variables and indicators relevant to understanding the housing sector and access to housing.

While all these variables may be consulted and downloaded in a customized format from the online database, this section presents them organized into 25 thematic tables, offering a comparative overview of the 15 countries included in this edition.

Each variable or indicator is defined in accordance with a methodological note, ensuring standardization across countries. As mentioned previously, some of these indicators are harmonized with the global HOFINET-EMF database. When a variable does not exactly reflect its methodological description—for example, if an average is presented instead of the requested median—the note associated with that variable explains the modification. These notes may also include relevant observations for data interpretation or additional explanatory comments, which are available for consultation in the online database.

Users are strongly encouraged to consult both the methodological notes and the corresponding complementary notes when using the data, in order to identify possible limitations, discrepancies, or particularities related to the definition of the variable, territorial coverage, or other relevant aspects, and thereby avoid errors of interpretation or misuse of the information.

The source of each data point is also duly recorded. The rigor applied in the collection and review of the information, as well as the transparency in its presentation and explanatory notes, is intended to provide a reliable basis for research, analysis, and decision-making by the various stakeholders in the sector.

The data compiled generally refer to the year 2024—whether as an average, annual total, or end-of-period value, as indicated in each case. However, when information for 2024 was not available, data from immediately preceding years were accepted, in some cases dating back to 2021 (as is often the case with censuses or household surveys). In such cases, the corresponding year is indicated in the relevant note.

All monetary values presented have been converted into United States dollars (USD). The exchange rates used for conversion are provided in Annex 2.

For various reasons, including the absence of available sources or differences in levels of aggregation, among others, not all listed variables or indicators are available. In such cases, they are marked as “N/F” (Not Found). By contrast, “N/A” (Not Applicable) is used when the product, agent, or element corresponding to the variable does not exist in the country, is not regulated or implemented, is not currently in use, or depends on another non-existent element. When a variable exists but records no results during the reference period, the value zero (0) is indicated.

**Table 1:
Macroeconomic Statistics**

Countries	Inflation (consumer prices)	Interest rates				GDP	GDP per capita (PPP-based)
		Official policy rate	Average interest rate paid on bank deposits	Average bank lending rate	Bank spread		
Periodicity	Annual, end of period	Annual	Annual	Annual	Annual	Annual	Annual
Format	%	%	%	%	%	\$ million	\$ thousand
Code	MA-1-01	MA-1-02	MA-1-03	MA-1-04	cross-cutting indicator	MA-1-05	MA-1-06
Argentina	117.8	55.8	55.0	60.5	5.5	638,365.03	13.56
Barbados	0.4	2.0	0.2	5.2	5.1	7,170.00	22.60
Brazil	4.8	12.3	7.7	40.2	32.5	2,179,411.98	4.13
Chile	4.5	6.2	5.6	7.6	2.0	330,266.53	33.79
Colombia	5.2	9.5	10.2	20.8	10.6	418,813.33	5.28
Costa Rica	0.8	4.0	4.1	11.0	6.9	94,639.05	0.04
Ecuador	0.5	11.6	4.5	12.5	8.0	124,680.00	16.00
El Salvador	1.8	4.3	5.4	8.0	2.6	36,750.00	13.17
Honduras	4.6	5.8	5.9	13.4	7.5	37,178.90	6.61
Mexico	4.2	10.0	9.1	13.2	4.1	1,929,721.52	26.17
Panama	0.7	6.3	5.0	8.0	3.0	86,264.00	41.57
Paraguay	3.8	6.0	4.6	13.9	9.3	31,179.37	16.94
Peru	1.9	5.0	2.4	15.0	12.6	289,329.34	15.73
Dominican Republic	3.4	5.8	9.8	15.1	5.3	131,397.86	30.95
Uruguay	5.5	8.6	7.2	16.6	9.4	80,961.51	35.18

Nota metodológica

MA-1-01	Accumulated annual inflation rate – Consumer Price Index (CPI) cumulative price variation over the 12 months from January to December of the reference year, using the most reliable official index available.
MA-1-02	Policy interest rate defined by the Central Bank. Central Bank policy rate (IFS/IMF).
MA-1-03	Average interest rate paid on bank deposits. The deposit rate refers to the rates offered to resident customers for demand, time, or savings deposits. Rates on time and savings deposits are often classified by maturity and deposit amount. In addition, deposit-taking banks and similar institutions may offer short- and medium-term instruments at specific rates for particular amounts and maturities; these are typically referred to as “certificates of deposit.”
MA-1-04	Weighted average interest rate on fixed-rate credit operations for households and firms.
MA-1-05	Gross Domestic Product (GDP) sum (in monetary values) of all final goods and services produced by the country during the reference year (January to December). It expresses the level of economic activity.
MA-1-06	GDP per capita (PPP) represents the total value, expressed in purchasing power parity terms, of final goods and services produced within a country during a specific period, divided by the average population during the same year.

**Table 2:
Demographic and Household Statistics**

Countries	Population		Urbanization rate	Most populous city (reference)	Population growth rate	Households		
	Total	Population aged 65 and over				Total	Average size	Urban
Periodicity	Latest census/survey			Annual average		Latest census/survey		
Format	Million	%	%	TXT	%	Thousand	No.	Thousand
Code	MA-2-01	MA-2-02	MA-2-04	MA-2-03	MA-2-05	MA-2-06	MA-2-07	MV-1-05
Argentina	47.07	12.0	92.0	City of Buenos Aires	0.9	15,932,302	2.9	14,891.5
Barbados	0.28	16.5	31.4	Bridgetown	0.2	73,571	2.9	-
Brazil	212.00	11.0	88.0	São Paulo	0.4	72,456,368	2.8	68,197.0
Chile	20.09	14.0	88.7	Santiago	0.7	6,998,093	2.8	6,194.0
Colombia	52.61	10.4	76.6	Bogotá D.C.	1.2	18,489,000	2.9	14,343.0
Costa Rica	5.16	11.2	83.0	San José	1.0	1,821,955	2.9	1,321.7
Ecuador	17.75	1.5	63.1	GUAYAS	1.7	5,188,827	3.3	4,162.0
El Salvador	6.03	10.5	75.4	San Salvador	1.4	1,920,668	3.1	1,710.0
Honduras	9.89	6.3	55.8	Tegucigalpa	1.5	2,624,033	3.8	1,528.6
Mexico	132.27	12.8	-	Mexico City	0.9	38,830,230	3.4	30,300.0
Panama	4.10	9.8	66.0	Panama City	1.4	1,230,757	3.3	828.0
Paraguay	6.40	8.5	69.0	Asunción	0.8	1,770,885	3.5	1,136.0
Peru	34.04	9.8	83.1	Lima	1.3	10,314,465	3.3	7,152.0
Dominican Republic	11.44	9.7	85.0	Santo Domingo	1.0	3,694,060	2.9	2,908.0
Uruguay	3.50	15.6	95.8	Montevideo	0.2	-	2.5	1,336.0

Nota metodológica

MA-2-01	Total number of persons residing in the country, regardless of legal status or citizenship.
MA-2-02	Percentage of the population aged 65 years or older relative to total population
MA-2-04	Urban population as a percentage of total population, according to national statistical institute definitions.
MA-2-03	City with the largest population in the country according to the most recent census or survey, serving as the reference city for municipal-level variables.
MA-2-05	Percentage of average annual population increase between two demographic censuses.
MA-2-06	Total number of households. A household consists of persons living together in a dwelling as a family or group.
MA-2-07	Average household size (average number of persons per household).
MV-1-05	Total number of households counted in urban areas

**Table 3:
Labor Market and Income Statistics**

Countries	Labor market / employment				Median household income		Household income commitment to total debt service	Poverty rate	Gini coefficient
	Labor force participation rate	Underemployment rate	Informality rate	Unemployment rate	National	Urban			
Periodicity	Annual, end of period				Annual	Annual	Annual, end of period	Annual	Annual
Format	%	%	%	%	\$(median)	\$(median)	%	%	No.
Code	MA-1-08	MA-1-09	MA-1-10	MA-1-11	MA-1-13	MA-1-14	MA-1-12	MA-1-15	MA-1-16
Argentina	48.8	10.5	36.1	6.4	9,183.38	8,737.33	15.4	38.1	0.43
Barbados	62.3	5.4	-	7.9	-	-	-	-	-
Brazil	62.6	4.8	38.6	6.2	12,757.37	13,382.57	26.0	31.6	0.51
Chile	61.6	5.5	26.3	8.0	15,201.42	15,862.35	13.6	6.5	0.47
Colombia	64.4	7.3	56.8	9.1	5,301.29	6,398.36	40.1	31.8	0.55
Costa Rica	56.7	3.0	37.9	6.9	26,083.55	29,047.15	49.6	18.0	0.45
Ecuador	64.1	23.2	55.2	3.4	8,841.60	10,819.20	61.6	28.0	0.46
El Salvador	64.4	37.6	68.5	6.3	8,558.17	9,799.32	30.0	30.3	0.40
Honduras	55.8	43.3	71.2	5.2	368.44	445.38	47.9	62.9	0.49
Mexico	59.9	8.2	54.5	2.6	17,901.48	18,694.49	27.7	29.6	0.39
Panama	63.3	17.0	49.3	9.5	10,560.00	19,248.00	27.1	21.7	0.49
Paraguay	71.4	3.5	62.5	4.6	7,924.06	9,801.21	-	20.1	0.44
Peru	76.7	49.2	70.9	5.6	5,647.12	6,164.21	27.0	27.6	0.41
Dominican Republic	61.9	4.8	54.8	4.8	11,878.82	12,236.26	-	19.0	0.38
Uruguay	64.6	9.1	21.2	7.4	29,818.55	36,264.71	16.0	17.3	0.41

Nota metodológica

MA-1-08	The labor force participation rate (formerly known as the economically active population) measures the proportion of a country's working-age population actively participating in the labor market, either employed or seeking employment. It reflects the size of the labor supply available at a given time to produce goods and services relative to the working-age population. Disaggregation by sex and age group provides the labor force distribution profile.
MA-1-09	Time-related underemployment: a measure of labor underutilization indicating the proportion of employed persons willing and available to increase their working hours and who worked fewer hours than a specified time threshold during the reference period (ILO definition).
MA-1-10	All employment in the informal sector, or persons who during the reference period were employed in at least one informal enterprise, regardless of employment status or whether it was their primary or secondary activity.
MA-1-11	Official unemployment rate, corresponding to the percentage of the labor force that is unemployed.
MA-1-13	Median gross annual household income at the national level. If median is unavailable, report the average and specify in the observations.
MA-1-14	Median gross annual household income at the urban level. If median is unavailable, report the average and specify in the observations.
MA-1-12	Average percentage of monthly household income committed to servicing total debt (mortgage, consumer, etc.).
MA-1-15	Percentage of persons below the national poverty line.
MA-1-16	Income distribution/concentration indicator (UNDP), ranging from 0 (lower inequality) to 1 (higher inequality).

**Table 4:
Statistics on Housing Stock and Deficit**

Countries	Total dwellings (housing units)	Share of owner- occupied dwellings	Housing vacancy rate	Substandard housing	Urban housing deficit			
					Quantitative	% deficit / urban dwellings	Qualitative	% deficit / urban dwellings
Periodicity	Annual, end of period				Most recent survey			
Format	Thousand	%	%	%	#	%	#	%
Code	MV-1-01	MV-1-08	MV-1-03	MV-1-04	MV-1-06	Cross-cutting indicator	MV-1-07	Cross-cutting indicator
Argentina	16,153.4	67.0	-	4.6	2,505,521	16.8	735,238	4.9
Barbados	73.5	63.9	11.3	3.1	-	-	-	-
Brazil	72,456.0	71.3	12.6	17.8	6,215,313	9.1	26,510,673	38.9
Chile	7,642,716.0	62.9	11.9	18.5	516,187	8.3	996,248	16.1
Colombia	18,404.0	39.5	13.3	20.0	402,000	2.8	2,077,000	14.5
Costa Rica	1,822.0	73.3	12.0	6.4	10,553	0.8	105,551	8.0
Ecuador	6,595.0	61.0	23.2	14.4	59,928	1.4	132,340	3.2
El Salvador	2,270.0	65.4	18.9	50.7	24,187	1.4	1,040,044	60.8
Honduras	2,600.6	71.5	7.0	-	1,600,000	104.7	630,000	41.2
Mexico	38,356.0	62.8	14.0	21.9	474,188	1.6	8,381,545	27.7
Panama	1,595.0	65.0	11.4	17.0	6,482	0.8	44,521	5.4
Paraguay	2,085.0	78.0	16.1	-	34,938	3.1	511,523	45.0
Peru	11,605.0	76.0	8.8	13.7	304,200	4.3	788,868	11.0
Dominican Republic	3,726.1	51.1	16.3	10.8	391,623	13.5	1,073,372	36.9
Uruguay	1,659.0	57.3	2.5	-	-	-	67,024	5.0

Nota metodológica

MV-1-01	A dwelling is a structurally separate and independent place intended for habitation by one or more persons, or that is used as such. The essential criteria of this definition are separation and independence.
MV-1-08	Percentage of households living in owner-occupied dwellings (formal or informal, including substandard, fully paid or financed) relative to total households (macro level).
MV-1-03	Percentage of total dwellings that are vacant, unoccupied, or not rented. Data may be available only for urban areas. Note: It is necessary to consider limitations in data use, as some dwellings may be vacant seasonally (country or vacation homes) or between tenants or rental contracts.
MV-1-04	Dwellings with physical inadequacies relative to urban regulatory standards.
MV-1-06	Number of dwellings that must be added to the housing stock, according to the methodology adopted.
MV-1-07	Number of dwellings presenting some type of qualitative deficit—physical, infrastructural (urban services), tenure-related, or other—according to the methodology adopted.

**Table 5:
Statistics on Housing Production Statistics
(part 1)**

Countries	Formal housing production per year			Housing investment (gross fixed capital formation)	Volume (\$) invested in housing production
	Construction permits	Housing starts	Housing completions		
Periodicity	Reference year			Total per year	Annual, end of period
Format	Thousand	Thousand	Thousand	%	\$ Million
Code	MV-2-01	MV-2-02	MV-2-03	MA-1-07	PV-2-04
Argentina	54.6	-	-	186.4	-
Barbados	0.5	0.5	0.4	-	-
Brazil	77,963.0	151.5	96.6	400.6	142,426.63
Chile	86.0	-	-	-	15,735.09
Colombia	170.5	171.6	191.9	179.6	7,687.29
Costa Rica	23.0	-	-	-	1.49
Ecuador	21.7	32.2	41.2	27.7	1,324.92
El Salvador	212.0	40.0	43.0	104.5	1,804.65
Honduras	1.9	8.6	15.0	8.6	191.02
Mexico	178.6	152.7	128.1	483.4	22,513.98
Panama	4.2	4.5	4.8	6.1	652.80
Paraguay	-	-	-	-	-
Peru	52.5	70.0	-	-	4,349.43
Dominican Republic	31.4	3.4	4.3	10.4	991.52
Uruguay	-	2.1	-	-	-

Nota metodológica

MV-2-01 Construction permits issued during the year for new housing units.

MV-2-02 Number of residential units whose construction began during the year.

MV-2-03 Number of housing units completed during the year / occupancy permits issued during the year.

MA-1-07 Gross fixed capital formation in housing: a National Accounts System (SNA) operation that records the expansion of an economy's future productive capacity through current investments in fixed assets, i.e., produced goods that can be used repeatedly and continuously in other production processes.

PV-2-04 Volumen de recursos invertidos en la producción formal de viviendas (todos los segmentos) en el año

**Table 5:
Statistics on Housing Production Statistics
(part 2)**

Countries	Construction costs			Social Interest Housing (SIH) production agents				
	Average standard construction cost per m ²	Construction cost index – annual rate of change	Time to obtain residential construction permit	Public	Private	PPP	Housing associations	Families (self-production)
Periodicity	Annual, end of period			Reference year				
Format	\$	%	No. of days	Ranking (by housing unit volume): 1–5, where 1 is the largest producer				
Code	PV-2-01	PV-2-02	PV-2-03	PV-1-01	PV-1-02	PV-1-03	PV-1-04	PV-1-05
Argentina	1,075.88	187.0	-	-	N/A	N/A	N/A	N/A
Barbados	320.00	16.0	30	159	-	-	N/A	-
Brazil	395.09	6.2	87	3	2	5	4	1
Chile	-	6.5	216	1	2	5	3	4
Colombia	-	4.0	45	4	1	5	3	2
Costa Rica	429.87	-4.8	47	1	3	2	4	5
Ecuador	385.80	2.1	5	1	2	5	3	4
El Salvador	503.41	-	350	2	4	N/A	1	3
Honduras	29.32	0.3	15	1	1	4	-	-
Mexico	796.51	8.6	145	2	1	5	4	3
Panama	568.44	3.6	45	2	1	N/A	4	3
Paraguay	485.82	1.2	30	15,841	-	0	-	-
Peru	413.06	0.2	-	3	2	0	0	1
Dominican Republic	1,024.09	3.3	86	3	2	4	5	5
Uruguay	1,655.74	4.0	110	4	2	N/A	3	1

Nota metodológica

PV-2-01	National average cost per m ² of construction for mid-standard residential property.
PV-2-02	Annual rate of change compared to the previous year of the Construction Price Index. Specify the index used in the note.
PV-2-03	Average number of days required to obtain a residential construction permit. Reference is the most populous city.
PV-1-01	Share of direct public production in the housing segment classified as Social Interest Housing (SIH) — according to income and/or property value parameters established in the country. Includes production sponsored by a public entity at any level of government, whether the housing remains state-owned (rental or concession) or is intended for sale or rental under housing programs.
PV-1-02	Share of private production (developers) in the housing segment classified as SIH according to income and/or property value parameters established in the country. Includes production by private investment funds, builders, and developers for rental, leasing, or market sale.
PV-1-03	Share of Public-Private Partnership (PPP) production in the housing segment classified as SIH according to income and/or property value parameters established in the country.
PV-1-04	Share of non-profit institutions — such as cooperatives, housing condominiums, housing associations, and NGOs — in the production of housing in the SIH segment (according to income and/or property value parameters established in the country).
PV-1-05	Share of households in the SIH segment that produce their own housing — either comprehensively or incrementally, formally or informally.

**Table 6:
Statistics on Financing of Housing Production**

Countries	Main sources of financing for formal housing production (by volume of resources invested)				Bank credit for formal housing production					
	Main source	Share	Second most important source	Share	Total outstanding balance in portfolio(s)	Delinquency rate	Annual credit volume	Typical market interest rate	Available to small developers	Differentiated interest rates for SIH production
Periodicity	Reference year				Annual, end of period				Reference year	
Format	txt	%	txt	%	\$ Million	%	\$ Million	%	OPT	OPT
Code	FO-3-01	FO-3-02	FO-3-03	FO-3-04	PV-3-01	PV-3-02	PV-3-03	PV-3-04	PV-3-05	PV-3-06
Argentina	Developers' or investors' own resources	-	Capital markets	-	1,677.72	3.3	-	46.1	Yes	No
Barbados	Deposits	-	Second- and third-tier financial institutions	-	520.00	-	54.00	4.0	Yes	-
Brazil	Savings (SBPE – Brazilian Savings and Loan System)	80.4	FGTS	19.5	9,957.36	0.7	5,259.30	10.6	Yes	Yes
Chile	Commercial bank loans	-	Loans from the Ministry of Housing and Urbanism	9.4	4,324.40	1.6	-	6.9	Yes	Yes
Colombia	Commercial banks – construction loans	99.0	National Savings Fund – construction credit	1.0	6,656.34	5.8	2,029.80	10.9	Yes	Yes
Costa Rica	Budgetary resources and deposits	98.5	Special funds administered by BANHVI and authorized entities	1.5	24.50	2.1	0.00	7.6	Yes	No
Ecuador	Own resources	50.0	Mixed resources	27.5	33.28	12.0	1,324.92	10.9	Yes	Yes
El Salvador	–	86.4	Social Housing Fund	13.0	292.22	1.0	-	26.0	Yes	Yes
Honduras	Banco Hondureño para la Producción y la Vivienda (BANHPROVI)	70.4	The second largest source of funding for formal housing production in Honduras was the Housing Fund of the Private Contribution Regime (FOVIF), administered by the Private Contribution Regime (RAP).	49.7	167.30	2.1	44.37	16.5	Yes	Yes
Mexico	Public budgetary resources through the Housing and Regularization Program (INFONAVIT – CONAVI – SHF)	73.3	Commercial banks authorized by the National Banking and Securities Commission (CNBV)	26.7	15,346.59	1.6	14,061.37	14.1	Yes	Yes
Panama	According to the IDB report titled “Toward the Development and Sophistication of Panama’s Financial Sector,” the main source of funding for local credit—including mortgage lending—is domestic deposits.	48.7	According to the aforementioned Inter-American Development Bank report, the second largest source in terms of volume is external deposits.	21.5	1,679.83	10.9	2,137.98	7.5	-	No
Paraguay	–	-	–	-	-	-	-	-	Yes	Yes
Peru	Mortgage loans backed by presales	88.0	Fondo MIVIVIENDA	12.0	1,192.76	11.3	216.26	15.0	Yes	Yes
Dominican Republic	Multiple commercial bank loans	82.8	Savings and credit corporations	16.2	1,800.41	2.2	240.08	9.5	No	No
Uruguay	The main source of funding is short-term deposits	-	Certificates of deposit	-	-	-	-	-	Yes	No

Nota metodológica

FO-3-01	Identifies the largest funding source by volume financing formal housing production by developers/builders: Public/Budget resources, deposits, wholesale funding, special funds, securitization, debentures, developers' own resources, or others.
FO-3-02	Measures the share of the main funding source in total funding for housing production credit.
FO-3-03	Identifies the second largest funding source financing formal housing production by developers/builders: Public/Budget resources, deposits, wholesale funding, special funds, securitization, debentures, developers' own resources, or others.
FO-3-04	Measures the share of the second largest funding source in total funding for housing production credit.
PV-3-01	Sum of outstanding balances in bank portfolios of credit operations for housing production (loans granted to legal entities) at year-end.
PV-3-02	Credit operations granted to legal entities — housing developers/builders — in bank portfolios with at least one installment more than 90 days past due, weighted by total portfolio balance.
PV-3-03	Sum of credit operations originated during the year with legal entities (developers/builders) for housing production.
PV-3-04	Typical non-subsidized interest rate applied to bank credit operations for housing production.
PV-3-05	Identifies whether bank credit is available to small housing developers (fewer than 30 employees).
PV-3-06	Identifies whether differentiated or reduced interest rates exist for the formal production of Social Interest Housing (SIH).

**Table 7:
Housing Transactions and Price Statistics
(part 1)**

Countries	Housing transactions: new and pre-owned		Median housing price					
			Sale			Rent		
Periodicity	National/year	Urban/year	National	Urban	Most populous city	National	Urban	Most populous city
Format	Thousand	Thousand	\$(median)	\$(median)	\$(median)	\$(median)	\$(median)	\$(median)
Code	MV-2-04	MV-2-05	MV-3-01	MV-3-02	MV-3-03	MV-3-04	MV-3-05	MV-3-06
Argentina	186.4	186.4	107,525.68	107,525.68	206,394.64	517.69	517.69	597.75
Barbados	-	-	-	-	-	-	-	-
Brazil	400.6	-	46,762.49	-	105,596.01	432.37	-	537.21
Chile	-	165.0	-	75,593.72	94,123.71	317.94	317.94	370.93
Colombia	179.6	30.4	51,454.18	55,760.22	106,372.38	208.62	208.62	171.80
Costa Rica	-	-	601.72	1.98	697.13	0.00	0.00	0.00
Ecuador	27.7	17.5	52,500.00	46,480.00	40,432.00	192.89	195.70	201.31
El Salvador	104.5	-	265,500.00	379,860.00	542,300.00	1,578.00	1,578.00	1,875.00
Honduras	8,623.0	-	161,295.00	100,809.38	155,246.44	40.32	34.62	120.97
Mexico	483.4	-	57,605.97	-	159,057.24	-	574.55	785.58
Panama	6.1	-	100,690.00	-	178,752.00	356.19	376.65	506.24
Paraguay	-	-	132,356.71	111,789.26	181,391.14	595.22	462.95	595.22
Peru	-	34.3	145,653.03	-	119,082.21	-	791.74	691.27
Dominican Republic	10.4	-	39,675.29	39,675.29	39,675.29	570.80	570.80	1,040.88
Uruguay	-	-	-	-	-	489.00	-	508.59

Nota metodológica

MV-2-04	Number of sales transactions of new and existing residential properties at the national level, excluding the purchase of land parcels only.
MV-2-05	Number of sales transactions of new and existing residential properties at the urban level, excluding the purchase of land parcels only.
MV-3-01	Median sale price—at the national level—of residential properties (or average if median is unavailable, depending on data availability—specified in the note).
MV-3-02	Median sale price (or average if median is unavailable, depending on data availability—specified in the note) at the urban level of residential properties.
MV-3-03	Median sale price—at the most populous city—of residential properties (or average if median is unavailable, depending on data availability—specified in the note).
MV-3-04	Median monthly rental price—at the national level—of residential properties.
MV-3-05	Median monthly rental price—at the urban level—of residential properties.
MV-3-06	Median monthly rental price—at the most populous city—of residential properties.

**Table 7:
Housing Transactions and Price Statistics
(part 2)**

Countries	Existence of a house price index	"Dados utilizados pelo índice de preços adotado"	"Metodología de cálculo do índice de preços adotado"	Rate of change of the house price index			
				National		Most populous city	
Periodicity		Reference year		Sale	Rent	Sale	Rent
Format	Yes or No		Tipo	%	%	%	%
Code	MV-3-07	MV-3-08	MV-3-09	MV-3-10	MV-3-04	MV-3-03	MV-3-06
Argentina	Yes	LP (Listing price, asking price)	SM (Simple mean)	-	517.69	206,394.64	597.75
Barbados	No	N/A	N/A	-	-	-	-
Brazil	Yes	VP (Valuation price/appraisal value)	SM	7.0	432.37	105,596.01	537.21
Chile	Yes	TP (Transaction price)	SM	3.0	317.94	94,123.71	370.93
Colombia	Yes	VP	SM	9.1	208.62	106,372.38	171.80
Costa Rica	Yes	VP	HR (Hedonic regression)	-5.0	0.00	697.13	0.00
Ecuador	Yes	LP	SM	0.0	192.89	40,432.00	201.31
El Salvador	No	N/A	N/A	-	1,578.00	542,300.00	1,875.00
Honduras	No	N/A	N/A	-	40.32	155,246.44	120.97
Mexico	Yes	LP	HR	9.2	-	159,057.24	785.58
Panama	No	N/A	N/A	-	356.19	178,752.00	506.24
Paraguay	Yes	TP	Geometric mean	-	595.22	181,391.14	595.22
Peru	Yes	LP	District-level median and weighted average of medians	-	-	119,082.21	691.27
Dominican Republic	Yes	VP	SM	3.3	570.80	39,675.29	1,040.88
Uruguay	No	N/A	N/A	-	489.00	-	508.59

Nota metodológica

MV-3-07	Indicates the existence of at least one price index—an analytical indicator designed to measure the rate of variation of residential property sale prices at the national level.
MV-3-08	Type of data used in the construction of the price index: LP = listing price; TP = transaction price; VP = valuation price. Note: When more than one index exists in the country, the most comprehensive and reliable one is selected.
MV-3-09	Description of the measurement method of the selected price index: SM (simple mean or median); HR (hedonic regression); RS (repeat sales); Hyb (hybrid method combining hedonic regression and repeat sales).
MV-3-10	Percentage rate of change in the sale price index relative to the previous year at the national level.
MV-3-04	Median monthly rental price—at the national level—of residential properties.
MV-3-03	Median sale price—at the most populous city—of residential properties (or average if median is unavailable, depending on data availability—specified in the note).
MV-3-06	Median monthly rental price—at the most populous city—of residential properties.

**Table 8:
Structure of the Mortgage Finance System**

Countries	Ecosystem of mortgage financial agents							Other institutions and system agents		
	(Quasi-) public institutions	Commercial / universal banks	Other deposit-taking institutions	Credit companies and other private non-deposit-taking institutions	NGO	Special funds	Other	Second-tier banking	Credit bureaus	Other
Periodicity	Reference year									
Format	Yes or No									txt
Code	SF-1-01	SF-1-02	SF-1-03	SF-1-04	SF-1-05	SF-1-06	SF-1-07	SF-2-01	SF-2-04	SF-2-03
Argentina	No	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Developers / builders
Barbados	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes
Brazil	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Mortgage companies: publicly listed companies that may obtain funding through LCI and LH, but are prohibited from raising funds through savings deposits
Chile	Yes	Yes	Yes	Yes	No	No	No	No	Yes	No
Colombia	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Family compensation funds
Costa Rica	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No others beyond those already indicated
Ecuador	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Multilateral organizations
El Salvador	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A
Honduras	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	INPREUNAH, RAP
Mexico	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	National Housing Commission (CONAVI)
Panama	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Trust companies
Paraguay	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	In addition to the financial and cooperative system and their correspondent networks, there are payment institutions such as telecom operators and bill collection networks
Peru	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	–
Dominican Republic	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Pension funds
Uruguay	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A

Nota metodológica

SF-1-01	Indicates the existence of at least one public or quasi-public housing credit institution, including public banks, development agencies, and housing agencies.
SF-1-02	Authorized financial institutions that serve individuals and legal entities, providing credit/resources to various sectors of the economy and mobilizing resources through deposits and other financial instruments.
SF-1-03	Savings and loan associations, credit unions, and other institutions that accept deposits but are not incorporated as commercial banks.
SF-1-04	Institutions that grant mortgage credit but are not authorized to accept deposits; includes fintechs and other for-profit mortgage companies.
SF-1-05	Institutions that grant mortgage credit but are not authorized to accept deposits; includes private housing associations/companies and non-profit NGOs.
SF-1-06	Dedicated funds that may consist of pension contributions, savings schemes, or other resources that operate in mortgage lending.
SF-1-07	Maps the diversity of financial agents offering residential mortgages (including home equity loans), such as residential consortium administrators, insurance companies, pension funds, and similar entities.
SF-2-01	Financial institutions that do not deal directly with borrowers but channel resources to first-tier agents, which in turn provide funds directly to the final borrower.
SF-2-04	Indicates the existence of credit bureaus—companies maintaining extensive databases with credit history information on individuals and legal entities, based on payment and debt records.
SF-2-03	Identifies other agents not classified above that operate within the country's housing credit system, such as banking correspondents, payment institutions, guarantee agents, etc.

**Table 9:
Regulation of Mortgage Financing and Guarantees**

Countries	Regulation							Mortgage insurance (MI)	
	Types of collateral used	Regulatory restrictions on access to credit information	Renegotiation / refinancing rules	Mortgage credit portability	One property may secure >1 loan	Foreclosure extinguishes the outstanding debt	Islamic (Sharia-compliant) financing	Available	Public
Periodicity	Reference year								
Format	txt				Yes or No				
Code	SF-3-04	SF-3-01	SF-3-02	SF-3-03	SF-3-05	SF-3-06	CV-3-06	SF-2-05	SF-2-06
Argentina	Mortgage	No	No	Yes	Yes	No	No	No	No
Barbados	Various	Yes	Yes	Yes	No	Yes	No	Yes	No
Brazil	In the Housing Finance System (SFH), the collateral for real estate financing is the property being financed. In the Real Estate Financing System (SFI), collateral may take the form of a mortgage or a fiduciary assignment of credit rights.	Yes	Yes	Yes	Yes	Yes	No	No	No
Chile	Mortgage	No	No	Yes	Yes	No	No	Yes	Yes
Colombia	Mortgage (i.e., the property serves as collateral). The National Guarantee Fund (FNG) provides guarantees to lending institutions in the event of borrower default.	Yes	Yes	Yes	Yes	No	No	Yes	Yes
Costa Rica	Mortgages / Trust (fiduciary trust)	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Ecuador	Mortgage	Yes	Yes	No	Yes	Yes	N/F	Yes	Yes
El Salvador	1. Cash deposits; 2. Certificates of deposit duly pledged and opened at local banks, first-tier foreign banks, or supervised non-bank financial intermediaries	Yes	Yes	Yes	Yes	Yes	No	No	No
Honduras	Mortgage over real estate and movable assets	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Mexico	Mortgage, trust (fiduciary arrangement), and surety	Yes	Yes	Yes	Yes	No	N/F	Yes	Yes
Panama	Mortgage and antichresis	Yes	Yes	Yes	Yes	No	No	Yes	No
Paraguay	Real property collateral. Insurance on the property pledged as collateral	Yes	Yes	Yes	Yes	No	No	No	No
Peru	Mortgage	No	Yes	Yes	Yes	Yes	No	Yes	No
Dominican Republic	Mortgage	Yes	Yes	Yes	No	Yes	N/F	Yes	No
Uruguay	Mortgages, collateral trust, bank guarantee, pledge, surety	Yes	Yes	No	Yes	No	No	Yes	Yes

Nota metodológica

SF-3-04	Identifies the types of collateral used in residential mortgage contracts where the property serves as security for the loan.
SF-3-01	Identifies whether there are legal or regulatory restrictions limiting access to credit information.
SF-3-02	Identifies whether formal rules exist to guide financial institutions in renegotiation or refinancing processes.
SF-3-03	Identifies whether it is legally possible to transfer a loan from the original creditor to another financial institution, allowing the borrower to seek a lower interest rate than in the original contract.
SF-3-05	Identifies whether the regulatory framework allows the same property to serve as collateral in more than one credit operation (typical case: housing finance and a home equity loan secured by the same property).
SF-3-06	Identifies whether the regulatory framework establishes that foreclosure of the property fully extinguishes the mortgage debt, even if the property is not sold or is sold for less than the outstanding balance. In other words, the lender cannot claim additional amounts beyond the collateral.
CV-3-06	Identifies whether Islamic/Sharia-compliant housing financing is offered.
SF-2-05	Indicates whether mortgage insurance exists that covers lenders (or investors) against losses resulting from mortgage loan default. Mortgage insurance may be public or private, depending on the insurer.
SF-2-06	Identifies whether a public institution provides this type of insurance/guarantee.

**Table 10:
Funding Sources for Household Mortgage Credit
(part 1)**

Countries	Sources of funding							
	Public	Special funds	Refinancing institution	Wholesale	Retail deposits	Securitization	Mortgage bonds	Other
Periodicity	Reference year							
Format	Ranking by mortgage volume: 1 = primary source							
Code	FO-1-01	FO-1-02	FO-1-03	FO-1-04	FO-1-05	FO-1-06	FO-1-07	FO-1-08
Argentina	2	3	5	5	1	5	5	4
Barbados	N/A	4	3	2	1	N/A	N/A	N/A
Brazil	5	2	N/A	N/A	1	4	3	N/A
Chile	-	-	-	-	4	3	2	1
Colombia	2	2	3	0	1	4	0	0
Costa Rica	2	3	1	5	4	6	7	8
Ecuador	2	1	5	3	6	6	4	6
El Salvador	3	3	4	2	1	N/A	N/A	N/A
Honduras	1	-	-	-	1	2	N/A	5
Mexico	3	1	5	4	2	6	N/A	N/A
Panama	-	-	-	-	1	-	-	-
Paraguay	1	2	-	-	3	4	-	5
Peru	3	2	-	4	1	-	-	-
Dominican Republic	0	0	0	0	2	0	0	1
Uruguay	2	5	N/A	N/A	1	0	4	3

Nota metodológica

FO-1-01	Public budget resources that support housing credit offered to households, whether channeled through state-owned or private banks and agencies.
FO-1-02	Resources channeled through special or dedicated funds for the origination of mortgage loans to households. Specify the type of fund (public, private, social security, pension funds, or other).
FO-1-03	Liquidity or refinancing institutions that provide funding to mortgage-originating financial agents.
FO-1-04	Wholesale loans (housing banks, development banks, other banks, and financial corporations) operating at the second-tier level.
FO-1-05	Deposits: voluntary (cash or savings), mandatory, and contractual (contract savings schemes).
FO-1-06	Securitization backed by residential mortgages (Residential Mortgage-Backed Securities – RMBS).
FO-1-07	Mortgage bonds — either secured (covered bonds) or unsecured. Note: specify whether covered, unsecured, or both.
FO-1-08	Resources managed by pension funds, consortia, philanthropic funds, or other entities.

**Table 10:
Funding Sources for Household Mortgage Credit
(part 2)**

Countries	Main source		Second main source	
	Type	Share	Type	Share
Periodicity	Reference year			
Format	txt	%	txt	%
Code	FO-2-01	FO-2-02	FO-2-03	FO-2-04
Argentina	Private sector – retail deposits	100.0	Public resources	0.0
Barbados	Commercial banks	46.0	Credit cooperative	-
Brazil	Deposits	47.0	Special funds (FGTS)	43.0
Chile	Banks / banks' own funds (issuance of general bonds) used to finance non-assignable mortgage loans	86.5	Mortgage administrators that finance mortgage loans through the issuance of assignable mortgage instruments acquired by pension funds and insurance companies	11.1
Colombia	Credit institutions, primarily commercial banks	86.0	National Savings Fund	10.0
Costa Rica	Public banks; liabilities to the public (demand and time deposits); and institutional funding (multilateral bank loans to financial institutions)	52.3	Private banks	29.0
Ecuador	Contributions from IESS affiliates	32.5	Deposits	67.5
El Salvador	Retail deposits	88.9	Wholesale funding	5.7
Honduras	Public deposits captured by banks and cooperatives	60.0	Funds managed by BANHPROVI	20.6
Mexico	Special funds (Housing Sub-Account – INFONAVIT)	51.6	Commercial banking sector	47.9
Panama	Local deposits are the main funding source for domestic credit, including mortgage credit, according to the IDB report "Hacia el desarrollo y la sofisticación del sector financiero de Panamá"	48.7	Foreign deposits, without specification as to whether they are savings or demand deposits, are the second-largest funding source by volume, according to the above-mentioned IDB report	21.5
Paraguay	Development Finance Agency (AFD)	-	-	-
Peru	Public deposits	70.0	MIVIVIENDA Fund	15.0
Dominican Republic	Demand deposits held at multiple banks	72.9	Savings and credit corporations	26.3
Uruguay	Short-term deposits and certificates of deposit. At BHU this is complemented by the issuance of negotiable obligations, and at HSBC by the issuance of mortgage notes	-	Certificates of deposit	-

Nota metodológica

FO-2-01	Identifies the largest funding source by volume for mortgage credit to households (ranked as 1 in the previous section). Describe the main source of funding for mortgage credit to households — if a special fund, specify type; if bonds, indicate whether covered or unsecured, mortgage-specific or general; if deposits, indicate savings or general, term or non-term.
FO-2-02	Measures the share of the main funding source in total mortgage funding for households.
FO-2-03	Identifies the second largest funding source by volume. Specify whether it is a special fund (and type), bonds (covered/uncovered; mortgage-specific/general), deposits (savings/general; term/non-term), etc.
FO-2-04	Measures the share of the second largest funding source in total mortgage funding for households.

**Table 11:
Household Mortgage Credit Portfolios**

Countries	Mortgage credit volume (\$)		Mortgage credit stock to GDP ratio	Number of mortgages		Leading institution				
	Total outstanding mortgage credit balance (portfolio stock)	Delinquency rate		Total number of outstanding mortgages	Delinquency rate	Type of institution	Name of market leader	Is it a public or semi-public institution?	Is it a specialized mortgage institution?	Market share
Periodicity	Annual, end of period			Reference year						
Format	\$ million	%	%	Thousand	%	txt	txt	Yes or No		%
Code	CV-1-01	CV-1-03	Cross-cutting indicator	CV-1-04	CV-1-05	CV-1-06	CV-1-07	CV-1-08	CV-1-09	CV-1-10
Argentina	999.55	1.0	0.16	-	-	Commercial / universal banks	Banco Nación Argentina	Yes	No	31.0
Barbados	1,912.00	5.0	26.67	15.0	-	Commercial / universal banks	Royal Bank of Canada	No	No	-
Brazil	188,532.23	1.1	8.65	137.5	2.3	Commercial / universal banks	Caixa Econômica Federal	Yes	Yes	67.2
Chile	91,972.99	2.3	27.85	1,653.4	3.5	Commercial / universal banks	Banco Santander	No	No	20.6
Colombia	31,254.58	5.9	7.46	1,633.1	6.9	Commercial banks	Bancolombia	No	No	24.6
Costa Rica	24.50	2.3	0.03	156.1	2.0	Other deposit-taking institutions (savings and loan institutions, mutual savings and credit institutions)	BANCO NACIONAL DE COSTA RICA	Yes	Yes	9.2
Ecuador	13,948.00	8.0	11.19	26,227.0	8.0	Non-deposit-taking financial institutions	BIESS Banco del Instituto Ecuatoriano de Seguridad Social	Yes	Yes	49.1
El Salvador	3,057.76	-	8.32	-	-	Commercial banks	Banco Cuscatlán de El Salvador, S.A.	No	No	32.5
Honduras	5,723.99	-	15.40	45,712.1	2.2	Banco de América Central Honduras, S.A	Banco Atlántida	Yes	Yes	70.0
Mexico	143,080.58	10.0	7.41	487,227.0	10.3	Special fund	Instituto del Fondo Nacional de la Vivienda para los Trabajadores (INFONAVIT)	Yes	Yes	71.5
Panama	19,808.00	7.5	22.96	345.2	5.3	Commercial / universal banks	Banco General	No	No	21.6
Paraguay	989.39	3.2	3.17	-	-	Commercial / universal banks	Banco Itaú Paraguay	No	No	26.8
Peru	18,608.68	2.8	6.43	295.0	2.9	Commercial / universal banks	Banco de Crédito del Perú	No	No	32.8
Dominican Republic	6,386.57	1.7	4.86	29.5	1.6	Commercial / universal banks	Banco de Reservas	Yes	No	0.0
Uruguay	3,149.89	0.6	3.89	42.6	0.8	Commercial / universal banks	Banco Hipotecario del Uruguay	Yes	Yes	34.9

Nota metodológica

CV-1-01	Sum of outstanding balances of active mortgage credit operations across all financial agents, including refinancings and home equity loans. Note: A mortgage loan is secured by a lien on the property (excluding developer installment loans and personal/consumer loans), but includes home equity loans if secured by a lien.
CV-1-03	Ratio between the volume of operations with at least one installment more than 90 days past due and the total outstanding portfolio balance. The full outstanding balance of the operation is considered delinquent if any installment exceeds 90 days past due.
CV-1-04	Number of active mortgage credit contracts across all financial agents, including refinanced loans and home equity loans.
CV-1-05	Ratio between the number of operations with at least one installment more than 90 days past due and the total number of operations in the portfolio, including refinanced and home equity loans.
CV-1-06	Identifies the type of institution that is the principal active financial agent in terms of mortgage portfolio volume and market share in mortgage origination: 1) Universal/commercial bank; 2) Other deposit institutions (savings and loan, mutual institutions); 3) Non-deposit financial institutions; 4) Special funds (pension, severance, etc.); 5) Other (insurance companies, pension funds, etc.).
CV-1-07	Identifies the name of the principal active mortgage credit agent, recording its name, institution type, and market share relative to the total mortgage portfolio across all agents.
CV-1-08	Identifies whether the principal active mortgage institution is public or semi-public.
CV-1-09	Identifies whether the principal mortgage institution specializes in housing mortgage lending.
CV-1-10	Ratio between the mortgage portfolio of the principal agent and the sum of mortgage portfolios across all active agents.

Table 12:
Mortgage Credit Granted to Households During the Year

Countries	Credit granted			Interest rate on mortgage loans for home purchase						Typical home equity loan rate
	Mortgage credit volume granted	Share of refinancing	Number of loan originations	Average loan size	Average weighted interest rate	Typical market rate — FRM	Typical market rate — VRM	Typical subsidized rate — FRM	Maximum regulated rate	
Periodicity	Annual, end of period		Annual average		Reference year					
Format	USD million	%	Thousand	\$	%	%	%	%	%	%
Code	CV-2-01	CV-2-02	CV-2-03	CV-3-05	CV-4-01	CV-4-02	CV-4-03	CV-4-04	CV-4-05	CV-4-06
Argentina	978.37	0.0	11,776.0	91,833.84	5% + index (indexed rate)	53	5% + adjustment mechanism (adjustable component)	N/A	N/A	N/A
Barbados	211.00	-	2.4	87,500.00	5	Approx. 6%, representing a premium over the variable rate	Approx. 5–5.5% (indicative)	N/A	N/A	7.0
Brazil	31,832.71	-	1,173.0	49,325.43	10.48	-	11,36	-	12	18.5
Chile	8,438.02	20.5	79,035.0	92,381.27	9.4	N/A	8.2	N/A	10.6	-
Colombia	5,368.95	-	179.6	32,341.74	11.27	11.27	6,71	7.23% (SIH), 6.23% (VIP)	12.4 (+ UVR)	N/A
Costa Rica	1,811.87	50.0	13,500.0	155.31	10.21	N/A	10.21	0	38.36	14.7
Ecuador	1,644.00	3.0	26.2	62.00	10.86	-	10.86	4.99	11.61	N/A
El Salvador	28.88	3.6	5.7	42,804.00	8.29	10.25	9.99	5	18.5	N/A
Honduras	3,714.22	15.5	7,260.0	4,081.37	General financial system rates (private mortgage loans): 17%. BANHPROVI: 7%	N/A	10.50%–12% (offered by some banks for 20–30 year terms)	-	N/A	N/A
Mexico	27,178.35	2.4	512,000.0	58,771.24	10.4	11.48	-	8.72	22	N/A
Panama	1,882.60	4.0	1.9	99,706.02	6.25	N/A	6.16	2.25	N/A	-
Paraguay	-	-	-	-	8.81	-	-	-	28,85%	N/A
Peru	3,479.54	1.9	33.7	103,685.04	8.2	8.2	Does not apply	9.4	-	25.0
Dominican Republic	769.32	18.6	9.4	33,497.95	11,3	11.42	-	-	-	-
Uruguay	522.12	-	5.4	105,304.56	4.7	6.5	-	2%	7,82	-

Nota metodológica

CV-2-01	Sum of mortgage credit operations originated during the year by all financial agents, including refinancings and home equity loans.
CV-2-02	Percentage of the total volume originated during the year that corresponds to refinanced loans.
CV-2-03	Number of mortgage loans originated during the year, including refinancings and home equity loans.
CV-3-05	Average value of housing financing originated during the year for the most common mortgage product type (e.g., FRM, VRM).
CV-4-01	Weighted average interest rate based on the volume of mortgage loans originated during the year for housing acquisition.
CV-4-02	Typical non-subsidized annual interest rate for fixed-rate mortgage contracts, weighted by originated volume and including any applicable indexation component.
CV-4-03	Typical non-subsidized annual interest rate for variable-rate mortgage contracts, weighted by originated volume and including any applicable indexation component.
CV-4-04	Typical subsidized annual interest rate for fixed-rate mortgage contracts, weighted by originated volume.
CV-4-05	Maximum annual interest rate permitted by the regulator for housing mortgage credit.
CV-4-06	Typical non-subsidized interest rate for home equity loans secured by residential property.

**Table 13:
Other Mortgage Credit Conditions**

Countries	LTV		Payment-to-Income (PTI) ratio		Types of mortgage credit products for home acquisition			
	Typical first mortgage LTV	Max. regulated LTV	Typical first mortgage PTI	Maximum regulated PTI (monthly payment)	Full amortization, fixed rate (FRM)	Full amortization, variable rate (VRM)	Full amortization, adjustable rate (ARM)	Interest-only (American system)
Periodicity	Year	Reg./in force	Year	Reg./in force	Year/Ref.: December			
Format	%	%	%	%	%	%	%	%
Code	CV-4-07	CV-4-08	CV-4-09	CV-4-10	CV-3-01	CV-3-02	CV-3-03	CV-3-04
Argentina	75.0	There is no explicit regulatory limit	25.0	0.0	0.0	100.0	0.0	0.0
Barbados	95.0	-	35.0	N/A	-	-	-	-
Brazil	67.8	80	26.3	30.0	1.0	99.0	-	-
Chile	78.6	100	25.0	25.0	0.0	100.0	0.0	0.0
Colombia	54.6	80 (for SIH), 70 (for non-SIH)	34.0	40.0	73.1	26.9	-	-
Costa Rica	80.0	100	40.0	40.0	0.0	100.0	0.0	0.0
Ecuador	80.0	83.33	30.0	40.0	0.0	100.0	0.0	0.0
El Salvador	90.0	-	-	0.0	-	-	-	-
Honduras	90.0	-	40.0	30.0	-	-	-	-
Mexico	71.6	N/A	-	N/A	-	-	-	-
Panama	93.5	N/A	35.0	-	-	-	-	-
Paraguay	-	-	-	-	-	-	-	-
Peru	90.0	90	27.0	0.0	100.0	0.0	0.0	0.0
Dominican Republic	53.0	80	30.0	30.0	90.0	10.0	0.0	0.0
Uruguay	-	No cap is established under financial system regulations	-	0.0	1.7	0.0	0.0	-

Nota metodológica

CV-4-07	Typical Loan-to-Value (LTV) ratio for first mortgages originated during the year (loan amount divided by the appraised property value securing the loan).
CV-4-08	Maximum LTV ratio permitted by the regulator for housing mortgage credit.
CV-4-09	Typical ratio between gross monthly income (before taxes) and total monthly debt service (principal, interest, fees, and insurance included in the installment; excluding property insurance and property taxes) for first mortgages originated during the year.
CV-4-10	Maximum debt-to-income ratio permitted by the regulator for housing mortgage credit.
CV-3-01	Share of housing acquisition financing during the year consisting of fully amortizing contracts with a fixed interest rate for the entire loan term.
CV-3-02	Share of housing acquisition financing during the year consisting of fully amortizing contracts with a variable interest rate adjusted according to contractual terms (may remain fixed for up to one year). A VRM includes an initial fixed-rate period shorter than the full loan term, followed by periodic rate adjustments.
CV-3-03	Share of housing acquisition financing during the year consisting of fully amortizing contracts with a fixed-rate period longer than one year but shorter than the full loan term.
CV-3-04	Share of housing acquisition financing during the year consisting of contracts without periodic principal amortization, where only interest payments are made during the term.

**Table 14:
Mortgage Credit Subsidies**

Countries	Mortgage credit subsidy										
	Subsidized funding sources for financial institutions	Subsidies for households in mortgage credit	Indirect subsidy: interest rate support	Maximum income decile eligible	Direct subsidies: down payment/deposit	Maximum income decile eligible	Other	Maximum income decile eligible	Subsidized mortgage loans originated during the year (% of total)	Mortgage loans with indirect subsidies originated during the year (% of total)	Mortgage loans with direct subsidies originated during the year (% of total)
Periodicity	Reference year										
Format	Yes or No			#	Si/No	#	Si/No	#	%	%	%
Code	SA-1-01	SA-1-02	SA-1-03	SA-1-04	SA-1-05	SA-1-06	SA-1-07	SA-1-08	SA-1-09	SA-1-10	SA-1-11
Argentina	No	No	No	N/A	No	N/A	No	N/A	0.0	N/A	N/A
Barbados	Yes	Yes	Yes	-	Yes	-	Yes	-	-	-	-
Brazil	Yes	Yes	Yes	10	Yes	6	No	N/A	58.8	100.0	13.3
Chile	No	Yes	No	N/A	Yes	8	Yes	8	31.9	0.0	31.9
Colombia	Yes	Yes	Yes	10	Yes	5	Yes	5	38.4	-	40.0
Costa Rica	Yes	Yes	No	N/A	Yes	6	Yes	6	28.0	0.0	28.0
Ecuador	Yes	Yes	Yes	3	Yes	2	Yes	1	100.0	0.0	100.0
El Salvador	No	Yes	Yes	1	Yes	1	Yes	4	-	-	-
Honduras	Yes	Yes	Yes	10	Yes	10	Yes	-	46.4	59.0	-
Mexico	Yes	Yes	Yes	-	Yes	-	Yes	-	-	-	-
Panama	Yes	Yes	Yes	6	No	N/A	No	N/A	88.0	88.2	1.1
Paraguay	Yes	Yes	Yes	-	Yes	-	-	-	-	-	-
Peru	Yes	Yes	No	10	Yes	10	Yes	10	27.8	100.0	100.0
Dominican Republic	Yes	Yes	Yes	0	Yes	2	No	0	25.0	0.0	0.0
Uruguay	No	Yes	Yes	8	Yes	8	Yes	9	1.7	N/A	30.0

Nota metodológica

SA-1-01	Maps the existence of funding sources for housing mortgage credit provided at interest rates below market rates.
SA-1-02	Maps the existence of any type of subsidy (direct or indirect) linked to housing mortgage credit for households/borrowers.
SA-1-03	Identifies whether interest rate subsidies or interest reduction subsidies exist.
SA-1-04	Indicates the highest income decile eligible for access to indirect subsidies (interest rate subsidies).
SA-1-05	Maps the existence of direct subsidies to households to cover the down payment (partially or fully) in housing mortgage financing.
SA-1-06	Indicates the highest income decile eligible for access to direct subsidies, if they exist.
SA-1-07	Maps the existence of other types of subsidies such as reductions in notarial fees, transaction and/or income taxes, guarantees, etc.
SA-1-08	Indicates the highest income decile eligible for access to other types of subsidies associated with mortgage credit.
SA-1-09	Percentage of total new housing mortgage loans originated during the calendar year that were subsidized (directly or indirectly).
SA-1-10	Share of indirect subsidies in the total number of subsidized housing mortgage loans.
SA-1-11	Share of direct subsidies in the total number of subsidized housing mortgage loans.

**Table 15:
Rental and Housing Microfinance Subsidies**

Countries	Housing microfinance (HMF) subsidies						Rental subsidy				
	Subsidized funding sources for microfinance institutions	Indirect subsidy: interest rate support in HMF	Technical assistance	Guarantee	Other	No. of families receiving HMF subsidies	Public housing stock	Emergency monetary support	Voucher for private rental market	Rental guarantee	No. of families receiving rental subsidies
Periodicity	Reference year										
Format	Yes or No					No.	Yes or No				No.
Code	SA-2-01	SA-2-02	SA-2-03	SA-2-04	SA-2-05	SA-2-06	SA-3-01	SA-3-02	SA-3-04	SA-3-03	SA-3-05
Argentina	No	No	No	No	No	N/A	No	No	No	No	N/A
Barbados	-	-	-	-	-	N/A	Yes	Yes	-	Yes	-
Brazil	-	-	-	-	-	N/A	Yes	Yes	No	Yes	22,382
Chile	No	No	No	No	No	0	Yes	Yes	No	Yes	30,427
Colombia	No	No	No	No	No	N/A	No	Yes	No	Yes	-
Costa Rica	No	No	No	No	No	N/A	No	Yes	No	No	6,034
Ecuador	-	-	-	-	-	-	Yes	Yes	-	-	3,553
El Salvador	No	No	Yes	No	-	-	No	No	No	No	N/A
Honduras	Yes	Yes	Yes	Yes	-	250,000	No	No	No	No	0
Mexico	No	No	Yes	No	No	-	No	No	No	No	-
Panama	Yes	Yes	Yes	No	Yes	19	Yes	Yes	No	Yes	617
Paraguay	-	-	-	No	-	-	No	-	-	-	-
Peru	No	No	No	No	No	0	No	Yes	No	Yes	8,154
Dominican Republic	No	No	No	No	No	0	No	Yes	No	No	0
Uruguay	Yes	Yes	No	No	No	251	Yes	Yes	Yes	Yes	1,765

Nota metodológica

SA-2-01	Indicates the existence of funding sources to support Housing Microfinance (HMF), allowing financial institutions to provide funding at interest rates below market rates.
SA-2-02	Indicates the existence of housing microfinance offered at interest rates below market rates, either through subsidized funding or through public subsidies to reduce loan interest rates.
SA-2-03	Indicates the provision of Technical Assistance — partially or fully subsidized — linked to Housing Microfinance.
SA-2-04	Indicates the existence of partially or fully subsidized insurance/guarantee mechanisms for housing microloans.
SA-2-05	Maps the existence of any other type of subsidy linked to Housing Microfinance (e.g., tax deductions, subsidies for construction materials, etc.).
SA-2-06	Number of families that received any type of subsidy linked to Housing Microfinance during the year.
SA-3-01	Maps the existence of publicly owned housing units made available for rent at below-market prices.
SA-3-02	Maps the existence of monetary assistance for families affected by resettlement processes or adverse events (including climate-related events such as fires, floods, landslides, etc.), enabling them to secure alternative housing through rental vouchers.
SA-3-04	Maps the existence of a subsidized guarantee/insurance mechanism associated with rental housing.
SA-3-03	Maps the existence of a monetary subsidy (voucher) program to supplement private rental payments at market prices. Unlike emergency assistance, it is linked to a formal rental contract and establishes eligibility parameters (income and housing quality).
SA-3-05	Number of families that received any type of subsidy linked to rental housing during the year.

**Table 16:
Housing Affordability**

Countries	Average income commitment with payments in the 2nd income decile			Lowest income decile served with credit		Home purchase affordability indices		Rental affordability indices	
	Mortgage loan monthly payment	Monthly rent payment as a share of income	Electricity	For home purchase	For housing microfinance	National	Urban	National	Urban
Periodicity	Most recent survey					Reference year			
Format	%	%	%	No.	No.	No.	No.	%	%
Code	SA-5-01	SA-5-02	SA-5-03	SA-5-04	SA-5-05	Cross-cutting indicator			
Argentina	-	-	-	9.0	-	11.71	12.31	67.65	71.10
Barbados	-	-	-	-	N/A	-	-	-	-
Brazil	-	-	-	3.0	-	3.67	-	40.67	-
Chile	46.0	53.5	-	1.0	N/A	-	4.77	25.10	24.05
Colombia	40.0	22.4	2.6	3.0	N/A	9.71	8.71	47.22	39.13
Costa Rica	35.0	0.0	0.0	1.5	N/A	0.02	0.00	-	-
Ecuador	40.0	7.4	7.4	-	-	5.94	4.30	26.18	21.71
El Salvador	30.0	40.0	3.6	1.0	1.0	31.02	38.76	221.26	193.24
Honduras	30.0	50.0	8.0	-	-	437.78	226.34	131.33	93.28
Mexico	49.7	-	-	1.0	1.0	3.22	-	-	36.88
Panama	22.0	19.0	4.3	5.0	2.0	95.35	-	40.48	23.48
Paraguay	-	52.0	-	-	-	16.70	11.41	90.14	56.68
Peru	27.0	23.0	3.5	5.0	1.0	25.79	-	-	154.13
Dominican Republic	30.0	40.0	5.0	2.0	1.0	3.34	3.24	57.66	55.98
Uruguay	24.4	29.7	-	1.0	-	-	-	19.68	-

Nota metodológica

SA-5-01	Average level of monthly income commitment (payment-to-income ratio) of households in the second income decile who are housing mortgage borrowers.
SA-5-02	Average level of monthly income commitment of households in the second income decile for rental payments.
SA-5-03	Average level of monthly income commitment of households in the second income decile for electricity consumption.
SA-5-04	Indicates the lowest income decile recorded with access to credit for home acquisition during the year.
SA-5-05	Indicates the lowest income decile recorded with access to housing microfinance during the year.

**Table 17:
Housing Microfinance**

Countries	Regulation				Housing microfinance market (HMF)						Guarantees	
	HMF is regulated as a financial product	Requires property title	Included in credit bureaus	HMF supply exists	HMF portfolio balance(s)	Delinquency rate	Volume originated during the year	Typical interest rate	Number of financial institutions	Guarantees for HMF exist	Public guarantees for HMF exist	Private guarantees for HMF exist
Periodicity	Reference year				Year, end of period							
Format	Yes or No				\$ million	%	\$ million	%	#	Yes or No	Text	Text
Code	MF-1-01	MF-1-02	MF-2-06	MF-2-01	MF-2-02	MF-2-03	MF-2-04	MF-2-05	MF-2-07	MF-2-08	MF-2-09	MF-2-10
Argentina	No	No	No	No	66,359.09	11.8	-	-	19	No	Do not exist	Do not exist
Barbados	No	N/A	N/A	No	N/A	N/A	N/A	N/A	-	-	N/A	N/A
Brazil	No	No	Yes	Yes	9.14	2.8	8.48	49.4	10	Yes	N/A	Guarantors; personal or real property
Chile	No	N/A	N/A	No	N/A	N/A	N/A	N/A	0	No	N/A	N/A
Colombia	No	N/A	-	No	-	-	-	-	-	-	-	-
Costa Rica	No	N/A	No	No	N/A	N/A	N/A	N/A	0	No	N/A	N/A
Ecuador	Yes	No	Yes	Yes	1.47	7.0	0.25	21.1	45	No	Personal guarantees (signature-based)	Personal guarantees (signature-based)
El Salvador	Yes	Yes	Yes	Yes	8.90	-	491.00	8.0	26	Yes	N/A	Fiduciary or pledge-based guarantees; property documents used as moral or joint (group) guarantees
Honduras	Yes	Yes	No	Yes	-	2.2	-	4.0	12	Yes	Yes	Yes
Mexico	Yes	No	Yes	Yes	-	-	-	-	-	No	-	-
Panama	No	No	No	Yes	2.17	-	0.25	0.0	4	No	Do not exist	-
Paraguay	No	No	Yes	Yes	-	-	-	-	-	No	FOGAVI (Fondo de Garantía para la Vivienda)	N/A
Peru	No	No	Yes	Yes	231.31	6.3	186.54	35.0	23	Yes	-	-
Dominican Republic	Yes	Yes	No	Yes	100.62	1.1	-	32.0	26	Yes	Low-cost housing trust	Joint guarantor
Uruguay	No	No	Yes	Yes	4.40	-	0.42	24.0	9	No	Do not exist	Do not exist

Nota metodológica

MF-1-01	Identifies whether Housing Microfinance (HMF) is regulated as a financial product, including from the perspective of prudential capital regulation. Note: HMF refers to small loans or credits intended to finance housing improvements, repairs, or incremental construction for low-income households. These typically have short maturities and small loan amounts. They are not mortgage loans, as they do not require real estate collateral.
MF-1-02	Identifies whether regulation requires the household to be the formal owner of the property.
MF-2-06	Identifies whether HMF loans are reported to credit bureaus.
MF-2-01	Identifies whether Housing Microfinance products are offered. Identification is based on the supply side. Does not include consumer credit lines that may be used to purchase construction materials.
MF-2-02	Sum of outstanding balances of active housing microfinance loans across all institutions offering this product.
MF-2-03	Ratio between the volume of loans with at least one installment more than 90 days past due and the total portfolio balance. The full outstanding balance of a loan is considered if any installment is overdue.
MF-2-04	Total volume of Housing Microfinance loans (without collateral) originated during the year by financial institutions offering this product.
MF-2-05	Identifies the typical non-subsidized interest rate applied to HMF contracts.
MF-2-07	Counts the number of institutions operating in HMF during the year, measuring market dynamism and level of competition.
MF-2-08	Identifies whether insurance or guarantee mechanisms can be contracted for HMF operations.
MF-2-09	Identifies the types of public guarantees offered or available for HMF.
MF-2-10	Identifies the types of private guarantees offered or available for HMF.

**Table 18:
Main Housing Microfinance Provider**

Countries	Housing microfinance (HMF) – leading agent by portfolio volume				
	Principal agent by portfolio volume	Market share	Number of operations	Average ticket size	Serves informal-income households
Periodicity	Year, end of period				
Format	txt	%	No.	\$	%
Code	MF-3-01	MF-3-02	MF-3-03	MF-3-04	MF-3-05
Argentina	Provincia Microempresas	39.0	-	-	-
Barbados	N/A	N/A	N/A	N/A	N/A
Brazil	Banco da Familia	70.9	4,837	1,944.35	65.0
Chile	N/A	N/A	N/A	N/A	N/A
Colombia	N/A	N/A	N/A	N/A	N/A
Costa Rica	N/A	N/A	N/A	N/A	N/A
Ecuador	Savings and credit cooperatives – Segment 1	48.0	115	12,759.00	58.0
El Salvador	Fondo Social para la Vivienda (FSV)	-	491	18,126.00	N/A
Honduras	Banco Hondureño para la Producción y la Vivienda (BANHPROVI)	68.0	1,548	-	-
Mexico	Instituto del Fondo Nacional de la Vivienda para los Trabajadores (INFONAVIT)	-	349,555	3,517.75	-
Panama	COOPERATIVA DE SERVICIOS INTEGRALES GLADYS B. DE DUCASA, R.L.	42.0	76	28,552.63	0.0
Paraguay	N/A	N/A	N/A	N/A	N/A
Peru	CMAC Huancayo	42.8	370	-	-
Dominican Republic	BANCO ADOPEM	21.5	9,069	2,451.32	-
Uruguay	Agencia Nacional de Vivienda with CREDIMAT program and affiliated microcredit institutions	-	251	1,674.37	-

Nota metodológica

MF-3-01	Identifies the name of the principal Housing Microfinance originator with the largest market share by loan volume.
MF-3-02	Percentage share of the largest agent in total HMF volume.
MF-3-03	Number of Housing Microfinance loans originated during the year by the principal agent.
MF-3-04	Average loan size of HMF operations originated during the year by the principal financial institution.
MF-3-05	Percentage of informal income borrowers served by the principal HMF agent in loans originated during the year.

**Table 19:
Land Market — Regulation and Strategies**

Countries	Zoning and subdivision / land use			Government strategies		
	Legal demarcation of areas of social interest	Promotion of densification	Inclusive urban planning instruments adopted	Public land bank	Use of underutilized or vacant public land	Subsidies linked to intra-urban location
Periodicity	Regulation in force			Reference year		
Format	Yes or No		txt	# ha	Yes or No	
Code	MS-1-02	MS-1-03	MS-1-04	MS-1-01	MS-1-05	MS-1-06
Argentina	No	No	Urban agreements, land value capture	-	No	Yes
Barbados	No	Yes	"Barbados Physical Development Plan Community Plans for Bridgetown, Speightstown, Holetown, Oistins, Six Cross Roads, Warrens, and Wildey"	-	Yes	Yes
Brazil	Yes	Yes	Progressive IPTU over time; PEUC (Compulsory Subdivision, Construction, or Use); Expropriation with payment in public debt bonds; Special adverse possession of urban property; Surface rights and right of first refusal; OODC (Outorga Onerosa do Direito de Construir); EIV; EIA/RIMA; Solidarity quota; Urban development concession, etc.	-	Yes	-
Chile	No	No	Regulatory incentives	2,494.0	Yes	Yes
Colombia	No	Yes	See note	119.1	Yes	No
Costa Rica	No	No	Regulatory plans	330,000.0	No	Yes
Ecuador	Yes	Yes	Property Report on Land Use Regulations (IPRUS / IRRUR)	-	Yes	Yes
El Salvador	Yes	Yes	Master Plan for the Metropolitan Area of San Salvador	-	Yes	Yes
Honduras	No	Yes	"National Land Use Planning Plan Regional Land Use Planning Plan Municipal Land Use Planning Plan Plans for areas under special regime"	-	No	No
Mexico	Yes	Yes	"Mexico City (CDMX): PGOT 2020–2035 (draft), SAC, Transfer of Development Rights Guadalajara: Metropolitan Development Program, Metropolitan Land Use Plan (POT) Monterrey: PMDU 2040"	0.0	Yes	No
Panama	Yes	Yes	"1. Law regulating land use planning (Law 6 of 2006. 2. Mandatory dedication of public space in new developments (Executive Decree No. 150-2020. 3. Betterment contribution through value capture (Law 94 of 1973) See note"	0.0	No	No
Paraguay	Yes	Yes	12	-	No	No
Peru	Yes	Yes	"PAT / PDU / Master Plan Land value capture Real estate integration Special Zones of Social Interest (ZEIS) Inclusionary zoning Land classification"	2,872.0	Yes	No
Dominican Republic	Yes	Yes	PRODT, PMOT, IDSU	0.0	Yes	Yes
Uruguay	Yes	Yes	Same as 2023	0.0	Yes	Yes

Nota metodológica

MS-1-02	Indicates whether land-use planning designates exclusive urban zones for the construction of social housing.
MS-1-03	Existence of an urban policy that promotes densification along structural corridors such as bus corridors, metro and/or urban rail stations, and major urban circulation routes, establishing new height, density, buildability, and minimum lot size provisions, including the creation of additional development rights.
MS-1-04	Lists regulated urban planning instruments such as the Master Plan; Progressive Property Tax over time; Expropriation with Payment in Public Debt Bonds; Special Adverse Possession of Urban Property; Surface Rights; Right of First Refusal; Transfer of Development Rights; Neighborhood Impact Study; Solidarity Quota, among others.
MS-1-01	Total surface area of publicly owned urban land banks that remain undeveloped.
MS-1-05	Indicates whether there is a policy for the use of underutilized or vacant public properties (built or vacant land) for allocation to social housing (in any format — public production, private production, or PPP for sale, rental, or concession).
MS-1-06	Indicates whether there is a subsidy policy (or subsidized housing program) differentiated by intra-urban location.

**Table 20:
Land Market — Costs**

Countries	Average price per m ² of recently developed land			Share of land cost in housing development	
	In peripheral areas	In central urban areas	In SIH developments	SIH development	Middle- and upper-middle-income housing development
Periocity	Reference year				
Format	\$	\$	\$	%	%
Code	MS-3-01	MS-3-02	MS-3-03	MS-3-04	MS-3-05
Argentina	2.18	2.40	-	0.0	18.7
Barbados	113.00	-	227.50	-	-
Brazil	-	-	-	10.0	20.0
Chile	278.73	1,146.78	119.46	10.0	18.0
Colombia	-	-	-	11.6	14.1
Costa Rica	279.26	458.15	97.07	20.0	40.0
Ecuador	-	-	-	-	-
El Salvador	-	-	-	-	11.4
Honduras	20.57	12.22	-	-	-
Mexico	-	-	-	-	-
Panama	801.80	1,670.00	374.00	30.0	6.0
Paraguay	-	-	-	-	-
Peru	33.42	119.92	33.42	15.0	30.0
Dominican Republic	1,062.80	1,033.05	-	10.0	20.0
Uruguay	-	-	-	9.0	-

Nota metodológica

MS-3-01	Average price per m ² recorded in new housing developments located in peripheral areas.
MS-3-02	Average price per m ² recorded in new housing developments located in urban central areas.
MS-3-03	Average price per m ² recorded in new Social Interest Housing (SIH) developments.
MS-3-04	Average percentage share of land price in the total sales value of SIH developments.
MS-3-05	Average percentage share of land price in the total sales value of housing developments in other segments (non-SIH).

**Table 21:
Informality in Land and Housing Occupancy**

Countries	Informal transactions		Informal / illegal occupation				Informality estimates		Formalization actions	
	Purchase and sale	ental	Vacant buildings	Historic heritage properties	Subdivisions (informal lot developments)	Preservation areas	Deficit due to irregular property/tenure status	Households in informal settlements, substandard settlements (favelas)	Land regularization processes	Upgrading of informal settlements
Periodicity	Reference year						Latest census or survey		Year	
Format	Yes or No						No.			
Code	IN-1-01	IN-1-02	IN-1-03	IN-1-04	IN-1-05	IN-1-06	IN-2-01	IN-2-02	IN-2-03	IN-2-04
Argentina	Yes	Yes	Yes	Yes	No	No	2,113,075	1,237,795	0	0
Barbados	No	Yes	Yes	Yes	No	Yes	N/F	N/F	N/F	N/F
Brazil	Yes	Yes	Yes	Yes	Yes	Yes	3,183,744	6,556,968	N/F	N/F
Chile	Yes	Yes	Yes	Yes	Yes	Yes	285,409	120,584	14	0
Colombia	N/F	N/F	Yes	N/F	Yes	Yes	703,000	N/F	895	N/F
Costa Rica	Yes	Yes	Yes	No	Yes	Yes	75,346	64,128	200	829
Ecuador	Yes	N/F	Yes	N/F	Yes	Yes	N/F	1,716	53,800	94
El Salvador	Yes	Yes	Yes	Yes	Yes	Yes	N/F	N/F	2,680	N/F
Honduras	No	Yes	Yes	Yes	Yes	Yes	N/F	N/F	5,000	N/F
Mexico	N/F	N/F	Yes	N/F	Yes	Yes	N/F	N/F	N/F	N/F
Panama	Yes	Yes	Yes	Yes	Yes	Yes	9,929	10,700	2,252	575
Paraguay	Yes	Yes	Yes	Yes	Yes	Yes	11,245	N/F	N/F	N/F
Peru	Yes	Yes	Yes	Yes	Yes	Yes	2,888,278	5,233,855	45,052	61,682
Dominican Republic	Yes	Yes	Yes	Yes	Yes	Yes	N/F	0	33,230	0
Uruguay	Yes	Yes	Yes	N/F	N/F	N/F	116,880	60,456	267	675

Nota metodológica

IN-1-01	Refers to real estate transactions carried out without a formal/registered contract (or under a private, unregistered agreement): indicates the existence of informal residential property purchase and sale transactions.
IN-1-02	Maps the existence of an informal rental market.
IN-1-03	Refers to informal occupations of urban properties: maps the incidence of informal occupation of vacant properties (squatting).
IN-1-04	Refers to informal occupations of urban properties: maps the incidence of informal occupation of historic heritage buildings.
IN-1-05	Maps the existence of informal and clandestine allotments.
IN-1-06	Maps the incidence of informal occupation (land parcels and/or construction) in environmental preservation areas.
IN-2-01	Refers to land inadequacy corresponding to occupations/dwellings on public or private land that lack legally recognized property status under available legal instruments securing tenure and, therefore, the right to housing.
IN-2-02	Counts the total number of households located in precarious settlements or marginal/informal neighborhoods.
IN-2-03	Counts the number of irregular dwellings that underwent land regularization processes during the year.
IN-2-04	Counts the number of households located in areas where urban upgrading was completed during the year (including legal, urban, environmental, social, and territorial regularization measures).

**Table 22:
Housing Policy and Public Investment**

Countries	Current housing policy (in force)	Current housing plan (in force)	Public investment in housing			Volume of publicly funded budgetary subsidies
			Public investment in housing	Share of housing investment in total public investment	Public investment in housing as a percentage of GDP	
Periodicity	Yes or No		Reference year			Year
Format	Yes or No		\$ million	%	%	\$ million
Code	MA-3-01	MA-3-02	MA-3-03	MA-3-04	Cross-cutting indicator	SA-4-01
Argentina	No	No	109.75	4.2	0.02	-
Barbados	Yes	-	-	-	-	-
Brazil	Yes	No	17,082.23	2.6	0.78	1,831.14
Chile	Yes	Yes	3,510.80	31.8	1.06	3,078.64
Colombia	Yes	Yes	1,317.22	7.0	0.31	844.59
Costa Rica	Yes	Yes	279.57	9.8	0.30	208.52
Ecuador	Yes	Yes	254.37	15.0	0.20	223
El Salvador	Yes	Yes	11.21	0.1	0.03	-
Honduras	No	No	40.32	0.6	0.11	-
Mexico	Yes	Yes	33,298.25	0.1	1.73	4,313.46
Panama	No	No	238.12	2.4	0.28	128.7
Paraguay	Yes	Yes	103.61	2.6	0.33	88.42
Peru	Yes	No	432.30	0.7	0.15	335.78
Dominican Republic	Yes	Yes	432.89	19.2	0.33	-
Uruguay	Yes	Yes	330.87	24.5	0.41	66.4

Nota metodológica

MA-3-01	Indicates the existence of a valid housing policy. Note: Do not confuse policy with housing programs.
MA-3-02	Indicates the existence of an active housing plan establishing strategies, actions, and targets to achieve the objectives set in the housing policy. Note: Do not confuse with housing programs.
MA-3-03	Sum of all public investments—central/federal administration and federal entities—in housing (direct and indirect subsidies, housing production, upgrading of informal settlements, tax exemptions and reductions, etc.).
MA-3-04	Share of housing expenditure in total public investment and financial investment expenditure within the national budget.
SA-4-01	Volume de subsídios orçamentários vinculados a atendimentos habitacionais (financiamento, aluguel, etc.) aplicados no ano.

Table 23:
Fiscal Dimension — Taxes and Fees
(part 1)

Countries	Taxes and fees associated with residential properties		
	Average property tax	Progressive property tax over time	Property transfer tax
Periodicity		Most populous municipality, reference year	
Format	%	%	%
Code	DF-1-01	DF-1-02	DF-1-04
Argentina	0.9	N/A	3.5
Barbados	-	N/A	Property registration fee for recording an instrument effecting a transaction (e.g., property conveyance), pursuant to Cap. 229A, Fifth Schedule: BBD 20 (≤ BBD 20k); BBD 40 (≤ BBD 50k); BBD 70 (≤ BBD 80k) BBD 100 (≤ BBD 100k); BBD 150 (≤ BBD 200k); BBD 250 (≤ BBD 500k); BBD 300 (> BBD 500k)
Brazil	1	15	1.02
Chile	0.893	2.46	0.2
Colombia	0.55–1.23	-	1.67–2.2
Costa Rica	0.25	0.25	1.25
Ecuador	0.25–0.5	1	0.13–9.0
El Salvador	-	N/A	1
Honduras	"Urban properties: HNL 3.50 per HNL 1,000 of the cadastral value. Rural properties: HNL 2.50 per HNL 1,000 of the cadastral value."	Applied rate: The tax is calculated by applying HNL 3.50 per HNL 1,000 of the cadastral value of urban properties.	"Property transfer tax / notarial registration (purchase and sale) Registration base fee: HNL 200. For property values up to HNL 1,000, only the base fee applies."
Mexico	0.22	N/A	-
Panama	0–1	0	USD 3.00–5.00 for each USD 1,000 de valor dependiendo del trámite. See note.
Paraguay	1	20% to 5%, decreasing progressively depending on the length of time the property remains vacant	Between 0.75 and 2
Peru	0.6	Up to 100% of the property tax.	"The registration fee is calculated based on property value: Up to PEN 35,000: (value × 1.5) ÷ 1,000 Above PEN 35,000: (value × 3) ÷ 1,000 A fixed assessment fee of PEN 34 to PEN 43.30 is added"
Dominican Republic	1	0.5	3
Uruguay	0.51	Rates range from 0.18 to 1.8	\$2,530

Nota metodológica

DF-1-01	Property/urban real estate tax applied in the most populous municipality: rate applied to the assessed value of the property as a territorial/urban property tax.
DF-1-02	Property/urban real estate tax in the most populous municipality: fiscal penalty applied in cases where there is no construction or use of the urban property, subject to a rate that increases progressively over time.
DF-1-04	Property registration fees charged by land registry offices: registration fee for the purchase and sale of residential properties charged by property registry offices.

Table 23:
Fiscal Dimension — Taxes and Fees
(part 2)

Countries	Taxes and fees associated with residential properties				
	Property transfer tax	Notarial registration fee for real estate development	Capital gains tax on real estate	Rental income tax	Other
Periodicity	Reference year				
Format	%	%	%	%	%
Code	DF-1-05	DF-1-03	DF-1-06	DF-1-07	DF-1-08
Argentina	0	Capital gains tax 15% of the difference between purchase and sale value, if the property was originally acquired after December 31, 2017	15%, payable at the time of sale only	Variable	-
Barbados	A taxa de solicitação de planejamento para moradias residenciais (não bens móveis) costuma ser de BBD 0,15 por metro quadrado de superfície construída.	"Property Transfer Tax (ITB): 2.5% of the transferred value. An exemption applies to the first \$150,000 for real estate; different thresholds apply to shares/land pursuant to Cap. 84A."	-	Residential rental income is subject to a special flat rate fees of 15%.	"Stamp duty Real estate agent to a special flat rate fees"
Brazil	0,34	3	15	7.5	4
Chile	1,5	0	0–40	0–40	19
Colombia	0,54	Up to 1.206%	15	NA	2.67
Costa Rica	1,25	1.5	15	12.75	0
Ecuador	1	10	10	10	5–35
El Salvador	0,14 -14,0	3	10	-	-
Honduras	"Taxa base registral: HLN 200,00 Valor do imóvel até HLN 1.000,00: só é paga a taxa"	1.5	Capital gains on real estate in 2024 are subject to a single tax at a rate of 10% on net gains.	Income derived from the rental of properties is subject to income tax.	
Mexico	-	Variable	1.92–35	1.92–35	-
Panama	Varia, é US\$ 10,00 por propriedade e de US\$ 5,00 para as moradias de interesse social.	2	10 or 3	0–25	0
Paraguay	0,8 - 0,3	5	8	8	-
Peru	"Taxa de qualificação aproximadamente PEN 34 – PEN 43,30 Taxa de inscrição Até PEN 35.000 => 0,15% do valor. Acima de PEN 35.000 => 0,30% do valor"	3% of the property sale price	5	5% of the agreed monthly rental amount (gross income)	-
Dominican Rep.	0	3	3	18	No
Uruguay	\$2530	2	12	10.5	"Primary Education Tax: 0.15%–0.30% Net Wealth Tax: 0.1%"

Nota metodológica

DF-1-05	Property registration fees charged by land registry offices: registration fee for the purchase and sale of residential properties charged by property registry offices.
DF-1-03	Tax rate applied to the transfer of real estate property (inter vivos).
DF-1-06	Tax on capital gains (difference between purchase price and sale price) when the property is sold.
DF-1-07	Taxes applied to income received by the owner from rental activities.
DF-1-08	Other taxes levied on properties in accordance with local legislation.

Table 24:
Fiscal Dimension — Exemptions and Deductions

Countries	Deductions and/or exemptions for households			Deductions for developers	Deductions for investors	Total deductions or exemptions		
	Urban property tax	Mortgage interest deduction (regulation and amount)		Taxes on housing production	Returns on real estate securities	Housing (general)	Targeted to SIH	
Periodicity	Reference year							
Format	Yes or No		%	Yes or No		\$ million	\$ million	
Code	DF-2-01	DF-2-02	DF-2-04	DF-2-03		DF-2-05	DF-2-06	DF-2-07
Argentina	No	Yes	No	No data available on the proportion of new contracts; however, in 2024, 15,488 individuals deducted mortgage interest from income tax.		Yes	-	-
Barbados	No	Yes	No	N/A		No	-	-
Brazil	Yes	-	Yes	N/A		Yes	-	-
Chile	Yes	Yes	Yes	-		No	1,025.64	-
Colombia	Yes	Yes	Yes	Up to 1,200 UVT (Tax Value Unit)		Yes	-	-
Costa Rica	Yes	Yes	Yes	100		Yes	0.01	0.01
Ecuador	Yes	Yes	Yes	31.26		No	7,218.00	-
El Salvador	No	No	No	-		No	-	-
Honduras	Yes	Yes	Yes	The mortgage interest deduction applies to the taxpayer's gross income.		-	-	-
Mexico	Yes	Yes	Yes	<750,000.00		Yes	10,487.62	-
Panama	Yes	Yes	No	0		Yes	0.00	0.00
Paraguay	Yes	Yes	Yes	No deductibility of mortgage interest payments.		Yes	-	-
Peru	Yes	No	No	No deduction available.		No	-	-
Dominican Republic	Yes	Yes	Yes	-		Yes	-	-
Uruguay	Yes	Yes	Yes	-		Yes	444.48	77.04

Nota metodológica

DF-2-01	Indicates the existence of a deduction or exemption for certain categories of property owners.
DF-2-02	Indicates the regulatory deduction or exemption from income tax related to mortgage interest payments for housing: identifies whether this type of deduction is established in legislation.
DF-2-04	Indicates the existence of a tax deduction or exemption, or special tax regimes, related to housing construction activity.
DF-2-03	Proportion of new mortgage credit contracts during the year that benefit from mortgage interest payment deductions for homeowner households (annual).
DF-2-05	Indicates the existence of a deduction or exemption from taxes on returns from investments in securities (RMBS, REITs/FII, bonds, debentures) backed by housing mortgage loans.
DF-2-06	Quantifies deductions/exemptions granted during the fiscal year: estimated amount of foregone tax revenue related to residential mortgages and properties.
DF-2-07	Quantifies deductions/exemptions granted during the fiscal year: estimated amount of foregone tax revenue related exclusively to residential mortgages and properties within the SIH segment.

**Table 25:
Sustainability
(part 1)**

Countries	Urban housing stock infrastructure				Certified housing production	National regulation		
	Dwellings with electricity	Dwellings with piped water	Dwellings with sanitation	Dwellings without exclusive bathroom		Green residential mortgages	Green RMBS	Green bonds
Periodicity	Most recent survey or census				Reference year			
Format	%	%	%	%	Yes or No			
Code	DS-1-01	DS-1-02	DS-1-03	DS-1-04	DS-2-01	DS-2-02	DS-2-03	DS-2-04
Argentina	100.0	93.0	69.3	0.8	Yes	No	No	No
Barbados	100.0	99.0	99.0	1.0	-	-	-	-
Brazil	99.9	86.3	71.4	1.7	Yes	-	No	-
Chile	99.7	98.4	99.3	0.3	Yes	No	No	No
Colombia	98.9	90.1	76.2	0.2	Yes	Yes	No	No
Costa Rica	99.0	99.0	98.0	2.0	Yes	-	-	-
Ecuador	97.0	75.6	82.2	30.3	Yes	Yes	Yes	Yes
El Salvador	95.6	98.6	96.9	9.6	Yes	No	No	No
Honduras	90.7	93.7	93.2	-	Yes	Yes	-	-
Mexico	99.7	80.6	74.5	1.1	Yes	Yes	Yes	Yes
Panama	99.3	79.7	58.0	3.6	Yes	No	No	No
Paraguay	98.6	91.9	90.8	0.5	Yes	No	Yes	-
Peru	92.6	83.5	79.9	8.0	Yes	No	No	No
Dominican Republic	99.5	90.4	95.9	0.2	Yes	Yes	No	No
Uruguay	99.7	95.8	63.5	0.2	No	No	No	No

Nota metodológica

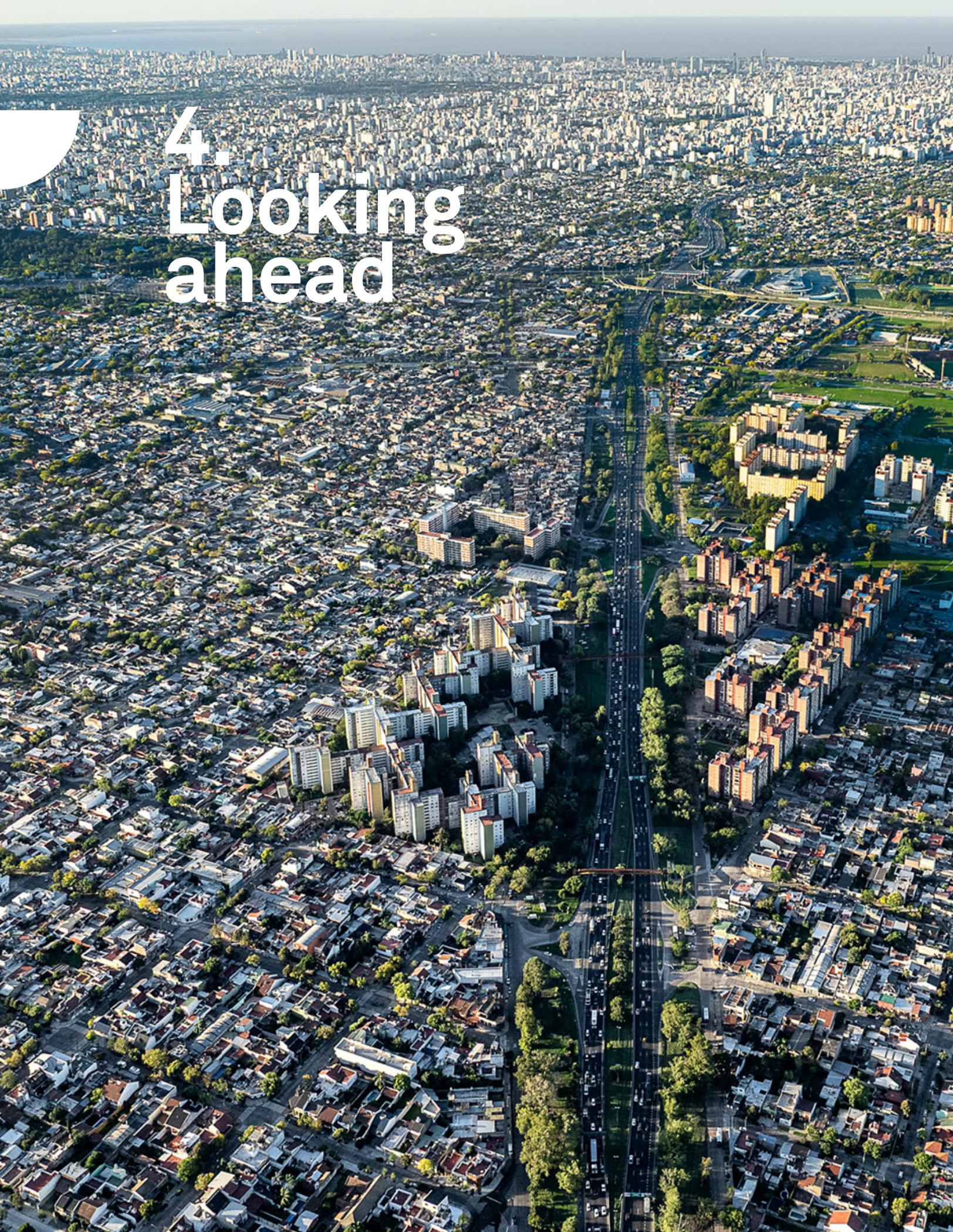
DS-1-01	Indicates the percentage of the urban housing stock with access to electricity service.
DS-1-02	Indicates the percentage of households with adequate water supply (source considered adequate and without service interruptions).
DS-1-03	Indicates the percentage of the urban housing stock with adequate sanitation drainage.
DS-1-04	Number of urban households without a bathroom.
DS-2-01	Indicates whether certifications —national or international, public or private— are used in housing construction.
DS-2-02	Mortgage financing (production, improvement, or acquisition) of housing that meets the minimum standard required to be classified as “green.” Refers to the existence of national regulation defining the parameters for classifying and conducting transactions as “green,” including regulations governing the classification of housing mortgages as green.
DS-2-03	Existence of national regulation defining the parameters for classifying securitizations as “green.”
DS-2-04	Existence of national regulation defining the parameters for classifying and conducting transactions as “green,” including regulations governing the classification of covered housing bonds as green.

**Table 25:
Sustainability
(part 2)**

Countries	Funding and incentives		Number of mortgages granted classified as green
	Dedicated funding for green housing	Incentives for green housing	
Periodicity	Reference year		
Format	DS-2-05	DS-2-06	DS-2-08
Code	No	No	N/A
Argentina	-	N/A	N/A
Barbados	-	Yes	-
Brazil	No	Reduced interest rates. Very incipient and limited practice.	-
Chile	-	Lower interest rates	-
Colombia	Yes	Interest rate reductions; reduced formalization costs; extended maturities; up to 95% financing	-
Costa Rica	Yes	Interest rates	36
Ecuador	No	"1. Capacity-building incentives: technical support for implementation of the HAUS guide 2. Simplified procedures and fee reductions of up to 20% for administrative processes 3. Social incentives"	-
El Salvador	Yes	-	-
Honduras	Yes	"Exemption from costs and commissions Preferential interest rates (9.88%–10.28%) Co-financing of up to 95% + 100% eco-technologies Prepayment through employer contributions Advisory services and technical assistance Benefits: faster sales, higher value, lower cost"	-
Mexico	No	N/A	0
Panama	No	-	-
Paraguay	Yes	There are incentives from both the State (subsidies, social financing, and international support) and private banks (through bonds, discounts, and financial innovations) to promote green mortgages.	6,170
Peru	No	-	-
Dominican Republic	No	N/A	N/A
Uruguay	Não	N/A	N/A

Nota metodológica

DS-2-05	Indicates whether there is a dedicated funding source for the origination of green mortgages, which may take the form of a specific fund or designated institution.
DS-2-06	Identifies existing public or private incentives linked to the issuance or acquisition of these loans/securities.
DS-2-08	Number of mortgages classified as green originated during the year.

An aerial photograph of a vast, densely populated city. A wide, multi-lane road runs vertically through the center, flanked by green spaces and trees. The surrounding area is filled with a mix of low-rise residential buildings and taller apartment complexes. The city extends to the horizon under a clear sky.

4. Looking ahead

Challenges and opportunities for the development of the housing sector

The data compilation and country report preparation process reveal the challenges and opportunities facing the housing sector in each of the 15 countries included in this Yearbook. The objective here is to identify common issues and highlight the main bottlenecks across the region, as well as emerging opportunities and favorable conditions.

This synthesis helps guide regional cooperation initiatives and the design of public policies that must become increasingly inclusive, sustainable, and effective.

Below are the conclusions for each block, organized into three tiers: main, complementary, and additional.

Challenges	Description
Main	Insufficiently inclusive financing mechanisms and poorly targeted mortgage-linked subsidies, in a context of high labor informality, leave many households without access to housing credit. Rising urban land prices, combined with high construction costs, exert upward pressure on prices and widen the gap with household incomes. These factors constitute the principal challenges and causes of deteriorating affordability.
Complementary	The expansion of informal settlements, lack of titling and tenure security, and the high housing deficit—both quantitative and qualitative—require integrated land policies and effective urban planning. Weak institutional coordination and insufficient data hinder effective governance and the design of evidence-based policies to address these challenges.
Additional	Fiscal vulnerability in financing housing programs constrains the State's ability to meet the needs of low-income households and respond adequately to climate and urban impacts.
Opportunities	Description
Main	Diversifying funding sources and developing new inclusive financial instruments—with private sector participation, the use of data, and new technologies—represent a key opportunity to expand access to housing, particularly for households with informal incomes.
Complementary	Strengthening land management and integrated urban planning, as well as optimizing permitting times and costs, present opportunities to stimulate housing production and improve affordability. Digitalization and access to robust data can support more efficient and transparent management.
Additional	Modernizing housing policies—including greater emphasis on rental housing—and incorporating sustainability and energy-efficiency criteria offer an opportunity to move toward a more affordable, resilient, equitable, and environmentally responsible housing stock.

Access to affordable housing in the region remains—as noted in the previous edition—constrained by the limited availability of inclusive financing options; high labor and urban informality; and rising land and construction costs. Taken together, these factors create barriers that restrict housing supply for lower-income households and deepen housing exclusion.

At the same time, significant opportunities exist to transform the sector. Diversifying credit mechanisms—including products tailored to informal incomes, rent-to-own schemes, and blended finance—can substantially expand access to housing. Urban planning, land management, and regulation are key instruments for reducing costs, increasing efficiency, and strengthening territorial equity.

Although structural challenges—such as macroeconomic conditions, labor market dynamics, and urban expansion—do not depend entirely on housing policy, the scope for action within the sector itself is considerable. Optimizing the housing production chain; improving subsidy targeting; strengthening data generation and institutional coordination; and aligning financing mechanisms more closely with households' socioeconomic conditions are feasible steps toward improving affordability, expanding housing supply, addressing informality, and advancing more inclusive and sustainable cities across the region.

Case Studies

Addressing the economic and social challenges shared across the region requires looking beyond national borders and learning from one another's experience. This section presents examples of housing transformation in Latin America and the Caribbean, drawing out practical lessons that can inform more inclusive, resilient, and sustainable housing policy design.

The three case studies that follow reflect both the vitality and the diversity of regional efforts to advance the right to adequate housing. In settings shaped by urban inequality, informality, and mounting sustainability pressures, the experiences of Argentina, El Salvador, and Honduras show that housing innovation is not driven by technology or financing alone. It depends just as much on institutional strength and community capacity to deliver integrated solutions.

In Buenos Aires (Argentina), the integrated upgrading processes in Barrio 20, Rodrigo Bueno, and Playón de Chacarita illustrate a sustained urban inclusion strategy. Through participatory planning, tailored regulatory frameworks, and strong interagency coordination, these initiatives combine infrastructure improvements, housing provision, secure tenure, and social development within a single policy approach.

In San Salvador (El Salvador), the focus is on the continuity and adaptation of the cooperative housing model for low-income households. The experience revisits collective approaches to the social production of housing and supports the renewal of existing housing stock on well-located land. The Mutual Aid Housing Cooperative model (Cooperativas de Vivienda por Ayuda Mutua, CVAM), grounded in collective land ownership, mutual aid, and self-management, has enabled the transformation of former tenement houses in the historic center into established cooperative communities, providing dignified housing for populations long excluded from formal markets.

In Honduras, the Solidarity Housing Project under the Housing and Human Settlements Program (Programa de Vivienda y Asentamientos Humanos, PVAH) introduces assisted self-build mechanisms and solidarity-based resource management through Rural Savings and Credit Funds and Housing Committees. By pairing technical support with community participation and women's leadership, the program outlines a replicable model with potential for expansion into urban areas.

Though they differ in context, scale, and institutional design, these three cases share a common thread: decent, affordable housing and urban integration as foundations for social cohesion and sustainable development.

Innovation in Assisted Self-Construction in Honduras

By Luis Maier¹ and Claudia Bueso²

Background and problem statement

In Honduras, the housing deficit remains one of the country's most pressing social and urban development challenges. Sector estimates indicate that more than 1.6 million households are affected. The situation is particularly severe in rural areas and in the poverty belts surrounding cities and metropolitan regions, where families live in overcrowded dwellings built with precarious materials, lack adequate access to basic services, and, in many cases, occupy land without secure tenure.

The *Censo del Observatorio de Desarrollo Social (C-ODS)*³ identified that a large proportion of the villages prioritized for State intervention are in conditions of poverty and extreme poverty. Homes in these communities are built with low-durability materials—corrugated metal sheeting, deteriorated *bahareque*, plastics, recycled waste materials. Dirt floors, roofs in poor condition, and lack formal access to drinking water, sanitation, and electricity. These conditions severely undermine families' right to live in safe and healthy environments and perpetuate cycles of vulnerability and exclusion.

Historically, housing policies and the legal housing framework in Honduras have consisted of fragmented proposals, with isolated, assistance-focused interventions and little sustainability over time. The fact that families living in poverty are not considered “bankable subjects” by the formal financial system has marginalized millions of households from access to dignified housing solutions.

To address this gap, the Government of Honduras established the Housing and Human Settlements Program (Programa de Vivienda y Asentamientos Humanos, PVAH) in 2022 through Executive Decree PCM-005-2022, designating it as the governing authority for the housing sector. In 2023, as part of a strategic alliance with the Red Solidaria Program, the Solidarity Housing Project was launched as an innovative pilot based on assisted self-construction.

The model tackles the housing deficit through both new construction and home improvements, while simultaneously strengthening community capacity, promoting social organization, and establishing sustainable solidarity-based financing mechanisms in villages prioritized by the ODS.

The challenge is substantial: how can precarious, informal housing be transformed into safe and sustainable homes in highly vulnerable rural communities with limited resources and no access to conventional financing?

Solidarity housing project

The Solidarity Housing Project was designed under an assisted self-construction methodology, involving the construction of new housing units or the implementation of improvements with a donation-based approach. Its model combines three central elements: the transfer of non-reimbursable public resources by the State, specialized technical assistance—construction-related and financial accountability—and organized community management.

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³ Social Development Observatory Census (C-ODS), a technical instrument of the Social Development Observatory (ODS), attached to the Secretariat of State in the Office of Social Development (SEDESOL), created by Executive Decree PCM-05-2022 (April 2022). The C-ODS records and prioritizes households and villages in conditions of poverty and extreme poverty; within the framework of the Solidarity Housing Project, data from 2,007 prioritized villages were used.

The PVAH transfers resources to rural savings and credit funds (Cajas Rurales de Ahorro y Crédito, CRAC), while rural housing committees (Comités de Vivienda Rural, CVR) oversee the process at the community level. These committees ensure transparent prioritization of beneficiaries, sound fund management, procurement of materials, and the hiring of local labor.

This structure serves multiple purposes:

- It reduces intermediation costs and maximizes the use of public resources.
- It stimulates the local economy by prioritizing community suppliers and labor.
- It fosters shared responsibility, as beneficiary families actively participate and assume collective commitments.

Internal social oversight mechanisms reinforce transparency, while external technical supervision ensures construction quality.⁴

An essential aspect of the model is the solidarity-based management of resources, which in practice operates under principles similar to collective ownership. The funds transferred by the PVAH to the CRACs are not managed individually, but rather as a common good subject to collective rules, with support and oversight by the CVRs. Funds are disbursed in accordance with physical progress on construction, through payments executed by the Rural Fund from authorized community accounts. Each payment is based on assembly records and technical verification by the PVAH, ensuring transparency and social oversight.

The CVRs function as democratic decision-making bodies. They define intervention priorities, monitor implementation, and uphold social oversight practices. Beneficiary families are therefore not passive recipients but active participants throughout the project cycle, strengthening both ownership and collective responsibility.

Community organization is structured collectively: the Rural Fund is responsible for financial administration, material procurement, and accounting records, while the Housing Committee coordinates family prioritization, supervises construction activities, and reports to the community. Both bodies work in a complementary manner, maintaining constant communication with the PVAH technical team to validate progress, resolve contingencies, and ensure efficient use of resources.

Technical assistance provided by the PVAH plays a central role within the project cycle. It is the first State-led experience to oversee the entire housing production chain—from needs identification to execution and project closure. This specialized support covers design, quantity surveying and labor estimation, fund management and monitoring, and technical supervision at each stage to ensure construction quality. The PVAH technical team, together with the CRACs and CVRs, provides ongoing guidance to communities on decision-making, resource administration, and the physical and financial closing of project interventions. This comprehensive process not only ensures transparency and sustainability of results, but also leaves installed capacities within communities, strengthening self-management and autonomy to sustain and expand future housing improvement processes.

Innovation in the project extends beyond technical and financial design. It also incorporates a strong social and gender dimension. The project actively promotes the participation of women, who assume leading roles in community organization and management. In rural societies where women often face barriers to participating in decision-making processes, their inclusion in the CVRs represents a positive change. In addition, prioritization criteria for these projects account for single mothers, persons with disabilities, and older adults, recognizing their heightened vulnerability.

Results achieved

Between 2024 and 2025, the Solidarity Housing Project delivered measurable results:

- 53 new housing units built.
- 569 housing improvements implemented.
- 4,317 people directly benefited (figures subject to update).

Beyond the numbers, qualitative results have been significant. Beneficiary families have improved their quality of life by gaining access to safer housing, with better habitability conditions adapted to their needs. Improvements to floors, roofs, walls, and sanitation have reduced health risks and increased household safety. Construction projects are carried out taking into account geographic and climatic conditions, promoting local materials and appropriate techniques that facilitate maintenance and dura-

⁴ The process includes a supervision unit, as part of the project cycle units, which oversees projects and authorizes (“gives the green light” for) each disbursement. This authorization is based on on-site monitoring and approval of works. In addition, completion verification is conducted by the technical support team.

bility. Indirectly, this strengthens community resilience to climate events and guarantees more dignified and sustainable housing.

The model generates impacts at multiple levels:

- **Community:** it has created stronger social cohesion by promoting organization, solidarity, and shared responsibility among families.
- **Economic:** it has energized the local economy through the hiring of labor and increased consumption in local businesses.
- **Institutional:** it has demonstrated that the State can work in a coordinated and efficient manner with communities, building mutual trust.
- **Capacity-building:** beneficiary households have shown positive results in strengthening technical capacities and fund management, enabling them to improve their housing and sustain self-management processes beyond the initial intervention.

The central government has recognized this project as a good practice in rural housing policy, demonstrating that the combination of technical assistance, citizen participation, and financial access mechanisms for low-income populations are effective tools for guaranteeing the right to housing. In addition, it has expressed interest in strengthening Rural Savings Funds as a key mechanism for sustainability and community self-management, recognizing their strategic role in ensuring that housing solutions are maintained over time and scaled up, and that they can also become part of public policy.

Furthermore, a process of expansion toward urban contexts is beginning through projects planned within the PVAH, with the creation of **Urban Savings Funds**, representing an evolution of the model to address the needs of families living in informal urban settlements.

Conclusions and lessons learned

The Solidarity Housing Project constitutes the first experience in Honduras in which the State has succeeded in articulating a complete housing project cycle under a model of **assisted social production of housing**.

The key lessons include:

- Solidarity-based resource management and community self-management are effective tools for reducing financial exclusion and enabling families not considered “bankable subjects” to access formal housing solutions.
- Women’s participation is essential for ensuring equity and sustainability. Their leadership within Housing Committees has strengthened social cohesion and diversified the project’s vision.
- The Rural Savings Fund model shows that the methodology is scalable, transferable, and replicable in informal urban areas (Urban Savings Funds), and that it can serve as a participatory mechanism for managing public housing resources, provided that conditions such as the following are met:
 - Prioritization of urban areas with the greatest housing deficit.
 - Formalized community organization through Urban Savings Funds and CVRs.
 - Expanded budget allocations to serve households with incomes below the minimum wage.
- A key lesson from the process is that expanding the model to urban areas must coordinate community self-management with land regularization and titling, in order to guarantee legal security for families and the sustainability of housing interventions.
- Coordination among local and national actors, together with continuous technical assistance, ensures sustainability and mutual trust.

In summary, the Solidarity Housing Project demonstrates that assisted self-construction, based on cooperative management and women’s leadership, is an effective and replicable alternative for transforming informal housing into formal and sustainable housing solutions in both rural and urban areas.

Likewise, CRACs, together with Housing Committees and their emerging urban equivalents, constitute an innovative model for solidarity-based management of public resources with high scalability potential. Continuing to promote this type of project is strategic, as it provides an effective pathway for expanding access to housing through mechanisms that combine community sustainability, organizational strengthening, and a clear gender equity approach..

Integrated urban upgrading in Buenos Aires: Barrio 20, Rodrigo Bueno, and Playón de Chacarita

By Ángeles Legisa, Lucila Steinberg, and Carolina Zangoni

Background and context

In 2016, the Buenos Aires City Government launched an unprecedented policy initiative, grounded in an innovative and participatory design, aimed at transforming living conditions in the city's low-income informal neighborhoods, known locally as *barrios populares*. The socio-urban integration projects implemented in Barrio 20, Rodrigo Bueno, and Playón de Chacarita were developed within this framework, responding both to historical demands related to the right to the city and to residents' claims for improved living conditions.

These initiatives unfolded within a broader Latin American context marked by accelerated urban growth and widespread urban poverty. Buenos Aires, as the core of a major metropolis, is also a mosaic of highly diverse habitats. Among them, low-income informal neighborhoods—including the three addressed in this case—cover a total surface area of 398 hectares (nearly 2% of the city's total area). These neighborhoods are characterized by unplanned direct land occupation; insecure land tenure; urban informality; and an irregular, high-density urban fabric.

Innovative solutions for socio-urban integration

The projects launched in 2016 in Barrio 20, Rodrigo Bueno, and Playón de Chacarita included the construction of new housing units; improvements to existing dwellings; home purchase loans; the extension of basic service infrastructure networks; the opening of streets; the provision of community facilities and green spaces; land tenure regularization; and condo-

minium-style governance arrangements, together with other actions aimed at the socioeconomic integration of families.

Making this possible required the enactment of specific urban upgrading, zoning, and socio-urban integration laws for each neighborhood (Laws 5705/16, 5798/17, and 5799/17). These laws were drafted through participatory processes involving neighbors and local residents and represented a fundamental first step, designating the areas that would undergo the urban upgrading process.

Implementation, in turn, required a series of iterative stages through which the process and the project evolved in tandem, each informing and reshaping the other. The first step consisted of a population census (2016) and a socio-spatial survey, carried out with the agreement of neighborhood residents. This served both as a diagnostic tool for the development of evidence-based public policies and as a basis for identifying the population to whom housing solutions would be allocated. This phase was followed by workshops and meetings with affected families, ultimately leading to the execution of housing solutions, which, as appropriate, involved either improvements to existing dwellings or relocation to new housing units financed through affordable credit schemes with State support. The allocation of housing solutions followed priority criteria agreed upon with families and established in the regulatory frameworks governing each integrated urban upgrading project.

The management model was based on strong inter-actor coordination, led by the City Housing Institute (Instituto de Vivienda de la Ciudad), across multiple levels of complexity: institutional coordination among different areas of government and agencies; neighborhood-level coordination by sectors and blocks; and household-level engagement, involving affected families directly in redefining their housing solutions.

In this context, the processes included more than 4,000 instances of citizen participation, such as participatory management committees, technical working groups, workshops, and block-level meetings. These management bodies—meeting biweekly and established by law—involved the entire neighborhood, together with social organizations, universities, advocacy institutions, and other governmental actors throughout the public policy cycle, constituting a genuine source of integration, sustainability, and resident ownership.

Another innovative aspect was the synergy achieved across the three neighborhoods through coordinated, multi-level efforts. This was also reflected in financing arrangements, which included both domestic and international sources (CAF -Development Bank of Latin America and the Caribbean-, the French Development Agency, the German Federal Ministry for the Environment, among others), aligned around a shared objective.

Finally, it is worth highlighting the continuity of these socio-urban integration processes, initiated in 2016, which proved resilient to institutional changes—both within government and across organizations—and were sustained even during the COVID-19 global pandemic.

Results achieved: beyond housing

The processes implemented in these three neighborhoods—many of which are still ongoing—represented a significant step forward in terms of housing integration and improvements in residents' living conditions. According to the 2016 census conducted by the City Housing Institute, the population reached in these areas was more than 33,000 people. To date, more than 3,700 permanent housing solutions have been delivered, consisting of 79% newly built functional units and 21% improvements to existing housing, relocation credits, and commercial premises.

At the same time, substantial progress was made in the construction of basic service infrastructure, including water supply, sewerage, storm drainage, electricity networks, public lighting, curbs and gutters, sidewalks, and pavement. Ninety-four percent of units were formally titled, providing families with legal security. Condominium-style governance arrangements were established in new housing developments, reaching 99%, a key factor for ensuring self-management by resident families.

As for neighborhood integration into the city, the opening of streets and pedestrian passages enabled many residents to obtain a formal address. In addition, through coordination with different government agencies, green spaces and community facilities were incorporated,

including schools, health centers, and businesses located within the neighborhoods. Housing integration was accompanied by a range of socioeconomic integration actions aimed at improving access to employment, education, and health services.

According to a mid-term technical evaluation of the effects of the socio-urban integration projects on access to social rights in the city's informal popular neighborhoods, the multidimensional structural deprivation index—which measures deprivations related to housing, access to services, education, employment, and security—showed that 34% of households were living in conditions of deprivation prior to the intervention. By mid-2023, this figure had declined by nearly 24 percentage points.

Lessons learned and future challenges

Each process is unique, and while there are no predefined formulas, certain elements are essential to ensure that results endure over time and generate deep, lasting change in the city: in-depth knowledge of the territory and its population; strong institutional commitment to the project; meaningful citizen participation; and effective teamwork.

The cases of Barrio 20, Rodrigo Bueno, and Playón de Chacarita represent substantial progress in the implementation of public policies oriented toward socio-urban integration. The construction of new housing, improvements to infrastructure, and formal access to basic services have improved families' living conditions and marked a significant step toward guaranteeing the right to the city. These results demonstrate the State's capacity to implement interventions of high technical and social complexity, consolidating institutional and methodological learning that strengthens public management and lays the groundwork for new phases of intervention.

Looking ahead, accumulated experience underscores the importance of participatory planning instruments and inter-institutional coordination as pillars of process sustainability. Coordination among multiple actors has enabled progress toward more homogeneous management standards across the city. Although challenges remain—particularly with respect to regulatory and land tenure adjustments, implementation timelines, and the consolidation of local capacities—the results achieved reflect a path of continuous improvement that expands potential for replication in other neighborhoods. Moreover, the active exchange of practices among neighborhoods, along with engagement with other cases, has become a key tool for inspiring and implementing similar initiatives in other territories.

Applying the mutual aid housing cooperative model to mesones in San Salvador's historic center

By Edgar Alexander Renderos Pineda

Background and challenge

The Historic Center of San Salvador (CHSS) serves as the symbolic and functional core of the San Salvador District and, by extension, of the Metropolitan Area of San Salvador (AMSS). The city's principal urban, cultural, and economic activities are concentrated within a historic built environment that expanded significantly in the 1930s with the incorporation of major government buildings and financial institutions. Urban renewal efforts later stalled during the 1970s and 1980s as a result of the country's internal armed conflict. This interruption led to gradual deterioration, underutilization of urban space, and a gradual decline in formal residential use, increasingly replaced by informal housing typologies.

Among the housing typologies currently present in the CHSS, *mesones* (rooming houses, typically historic homes subdivided into rented rooms) emerged—according to FUNDASAL (2025)—as low-cost housing solutions for low-income workers, internal migrants, and displaced families. Although the first subdivisions of historic houses into *mesones* began around 1870, it was not until 1930 that they consolidated as a popular housing solution, already deteriorating. Their residents were primarily vendors, urban workers, and migrants. Over time, lack of maintenance and climate-related damage further degraded these structures, transforming them into one of the most precarious and widespread housing forms among low-income families in urban areas.

These *mesones* gradually went from housing temporary residents to eventually become permanent residences, increasing occupancy levels as the resident population grew. This

directly affected the quality and coverage of basic services and the structural integrity of the buildings. FUNDASAL (2025) notes that they face overcrowding, structural deterioration, and serious deficiencies in access to basic services due to limited maintenance, insufficient investment, and decades of intensive use.

They typically lack adequate ventilation, present fire risk and unsanitary conditions, and offer residents little privacy or security. This situation reflects not only a housing problem and land speculation pressures, but also a broader urban phenomenon linked to social inequality and the historical absence of inclusive public policies in the heart of the capital.

According to Renderos (2021), *mesones* account for half of all informal settlements in the AMSS and nearly all (96%) in the CHSS. As such, they constitute the main form of informal housing in the Historic Center, characterized by high levels of precarity.

Residents face acute poverty and vulnerability. According to FUNDASAL (2025), 39% of residents are engaged in informal commerce, 27% in odd jobs and other trades, and only 14% report belonging to the formal sector. As a result, 56.6% of the population living in *mesones* earns less than USD 365 per month (below the minimum wage), meaning 48% of CHSS *mesón* residents live in multidimensional poverty.

As for room rents, residents pay an average of USD 109.81 per month, plus USD 97.15 in utilities—representing more than 57% of average monthly income and leaving approximately USD 160.54 to cover food, transportation, education, health, and other essentials. Additionally, 25% of households consist

of three to four persons, while 10% range from five to eight members. In many cases, therefore, very low incomes must support relatively large households.

The mutual aid housing cooperative as an affordable housing alternative

In this context, the Salvadoran Foundation for Development and Minimum Housing (FUNDASAL) has adopted and promoted an alternative model of social production of habitat—community-led housing and neighborhood development—offering an option in response to market limitations and barriers to adequate housing access, particularly for the informal labor sector. The mutual aid housing cooperative model (CVAM) represents an innovative approach that provides a viable alternative for improving living conditions for families residing in *mesones*.

CVAM originated in Uruguay, where it emerged under the National Housing Law No. 13,728 (1968) and was institutionalized through the creation of the Uruguayan Federation of Mutual Aid Housing Cooperatives (FUCVAM) in 1970. The model enables families to organize collectively, access pooled financing, and directly participate in the construction of safe and adequate housing. Its significance lies not merely in replacing deteriorated physical structures, but in transforming the social fabric, fostering solidarity, and creating resilient communities within the same territory.

CVAM constitutes an integrated strategy to guarantee the right to housing, strengthen community organization, and ensure that urban revitalization in the city center also benefits long-term residents. The model is grounded in families organizing within a cooperative framework, accessing collective financing, and building their homes through participatory processes rooted in solidarity and self-management. In doing so, housing ceases to be understood exclusively as a market commodity and is reframed as a human right and a social process.

The model rests on four fundamental pillars: collective land ownership, mutual aid, self-management, and cooperative education. Together, these ensure that cooperatives build not only housing units but also sustainable, cohesive communities with social agency.

Collective land ownership

The first pillar is collective land ownership, whereby the land on which housing is built belongs not to individuals (traditional private tenure) but to the cooperative as a whole. This prevents real estate speculation and ensures that housing units are not commodified in the market. Collective ownership facilitates access to well-located land, where urban land prices would otherwise exclude low-income households, and protects families from eviction, ensuring permanence in the territory—particularly relevant in central areas subject to gentrification pressures.

It also reinforces community belonging, since each family does not “own” a dwelling in the individual sense but shares responsibility for the common space. Housing units cannot be sold as private property; rather, use rights may be transferred only to a nuclear family member following cooperative evaluation.

Mutual aid

The second pillar is mutual aid, understood as the active participation of families in the construction process. Instead of delegating the work entirely to developers or contractors, cooperative members contribute organized collective labor. This reduces construction costs while strengthening solidarity ties and valuing physical labor. Through mutual aid, families also build social cohesion around a shared achievement. This pillar represents the core of successful interaction among cooperative members.

Self-management

The third pillar is self-management, whereby the cooperative makes key decisions regarding design, construction, financing, and internal organization. Families shift from passive beneficiaries to active subjects of the housing process. Self-management fosters community leadership, negotiation capacity with public and private institutions, and collective responsibility.

The technical assistance process places beneficiaries at the center, with participatory design shaping spatial layout, architectural design—even finishes—and decisions regarding the location and configuration of common areas.

Cooperativism (cooperative education)

The fourth pillar is cooperative education, a cross-cutting component throughout the process. It enables families to understand the model, their rights and responsibilities, and to develop skills in construction, administration, and conflict resolution. Cooperative education ensures long-term sustainability, as it goes beyond housing delivery to create communities capable of maintenance, improvement, and replication. It represents practical, experiential learning that transforms individuals and strengthens social fabric.

In the cases examined, FUNDASAL has overseen the process alongside technical assistance teams covering cooperative formation through physical project completion. Financing combines institutional sources, residents' own resources, international donors, and solidarity contributions intrinsic to the cooperative model.

Financing is divided into three components:

- A cooperation-funded subsidy: for ACOVICHSS provided by the Spanish Agency for International Development Cooperation (AECID), and for ACOVIVAMSE by the German KfW Development Bank. On average, this subsidy covers more than 95% of total project cost, including construction, technical preparation, and logistical aspects.
- To cover the remaining share of construction, concessional loans were provided. In the case of ACOVICHSS, loans had a 15-year term with subsidies covering 89.13% of construction costs, resulting in tailored loan sizes between USD 2,600 and USD 5,900. For ACOVIVAMSE, a revolving loan fund was established through FUNDASAL with 20-year terms; subsidies ranged between 91.6% and 49.7%, depending on household income, resulting in tailored loan sizes between USD 2,100 and USD 12,500.
- A significant percentage reflects the cooperative's contribution through mutual aid labor, which is not fully captured in official cost structures.

Results

In the CHSS, the model is most visibly reflected in two housing cooperatives: the Mutual Aid Housing Cooperative of the Historic Center of San Salvador (ACOVICHSS), established in 2009, and the Mutual Aid Housing Cooperative of Barrio San Esteban (ACOVIVAMSE), established in 2011. In

both cases, 61 beneficiary families (40 in ACOVIVAMSE and 21 in ACOVICHSS), originally residents of *mesones*, have improved their quality of life as cooperative members, consolidating housing solutions while building community and healthy coexistence.

Housing units range from 29.4 m² to 66.9 m², depending on household size. In ACOVICHSS, costs were set at USD 816.75 per m² (reference year 2009), with a fixed monthly contribution of USD 25. For ACOVIVAMSE, monthly contributions ranged between USD 32 and USD 80, depending on household composition, income level, and what families previously paid for their prior housing arrangement. Monthly payments cover loan servicing and cooperative operating costs.

ACOVICHSS constructed apartment units (29.41 m² one-bedroom; 49.53 m² two-bedroom; 66.88 m² three-bedroom), each including living-dining area, kitchen, bedrooms, and bathrooms. ACOVIVAMSE built two-level single-family units, with social areas (living-dining room, kitchen, bathroom) on the ground floor and private bedroom areas above.

Beneficiary families report no arrears, indicating strong commitment to debt repayment and cooperative participation. In cases of economic hardship, an emergency fund—created collectively—provides support. While each cooperative defines payment terms, FUNDASAL provides technical support and training to ensure transparency and legitimacy.

Current status of mutual aid housing cooperatives

In 2018, the Ministry of Public Works (MOP) submitted legislation to the Legislative Assembly to enable subsidies, financing mechanisms, and property transfers in favor of CVAM cooperatives in the CHSS under a program aimed at the socioeconomic and cultural regeneration of the Historic Center through cooperative housing initiatives, implemented in coordination with the Italian Agency for Development Cooperation (AICS). The initiative sought to benefit 352 families with an investment of EUR 9.56 million allocated to housing. This policy window strengthened and expanded the financing framework for CVAM, which relies on land subsidies, construction subsidies, and income-adjusted concessional loans.

By September 2022, the newly established Ministry of Housing recognized four additional cooperatives financed under a program structured in coordination with Italian Cooperation: ACOVIHSAL (31 apartments in Colonia Bloom, an area of sig-

nificant historic value at the edge of the CHSS); ACOVICOM (24 apartments in Barrio Concepción); ACOPVALO (52 apartments); and ACOVINAC 20 de Noviembre (34 apartments).

Financing combines Italian cooperation funds (USD 1.417 million) and national counterpart funding (approximately USD 590,000 plus land costs), structured as:

- Public counterpart funding:
 - Subsidies and loans to cooperatives via FONAVIPO/ National Housing System (enabled under the 2018 decree).
 - Transfer of public land from the Ministry of Housing (sites in Barrio Concepción and Candelaria; 1st Calle Poniente and Colonia Bloom in the CHSS).
- International cooperation: Italian Cooperation funding for construction investment and related project costs.
- Family and cooperative contributions: mutual aid labor, savings capacity, concessional loans, and, in some cases, capital/land subsidies adjusted to income.

None of the projects described above have yet been fully completed, though all are at different stages of implementation.

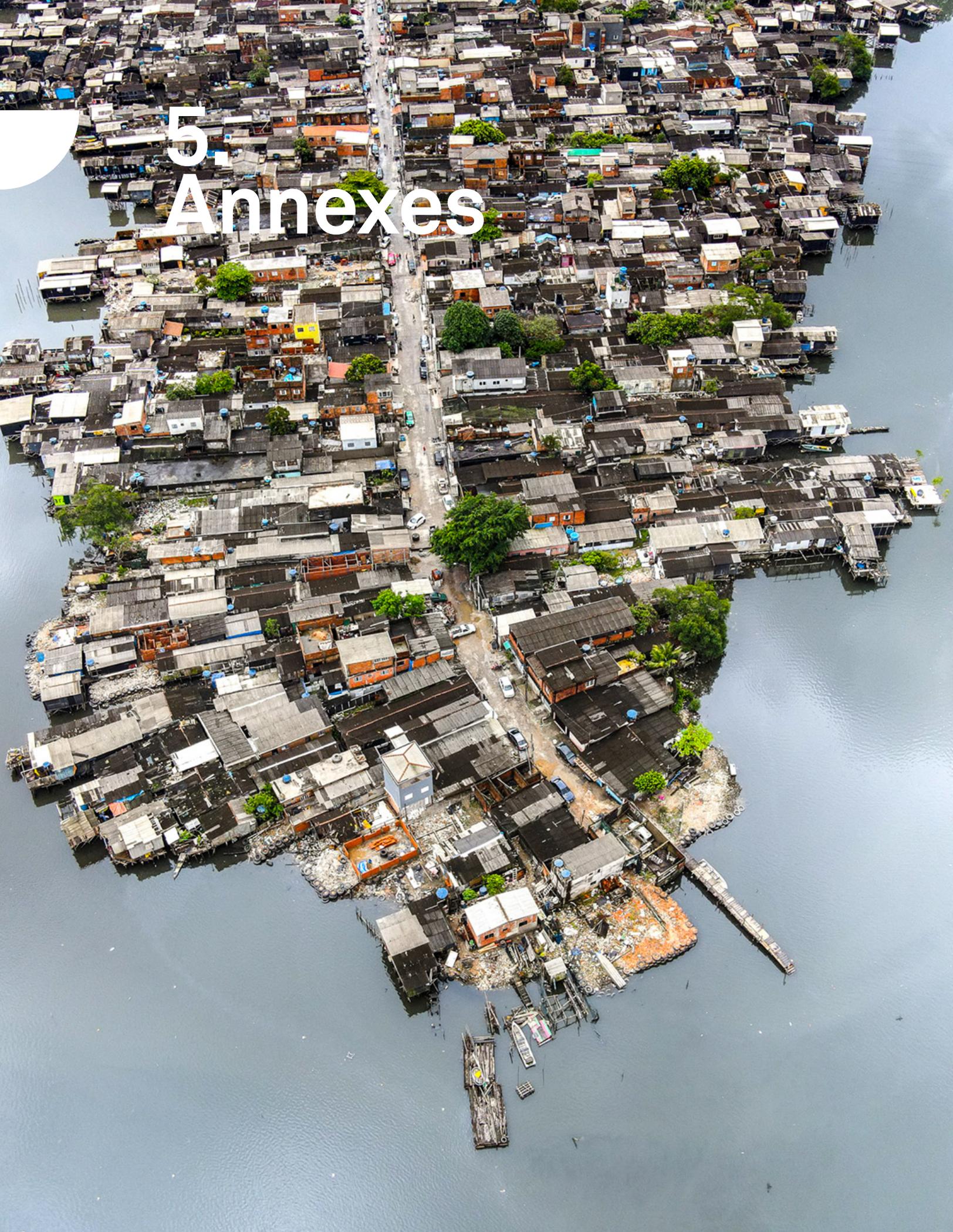
Conclusions and lessons learned

- CVAM facilitates access to adequate housing through subsidies, concessional loans, and community-based financing mechanisms that would be inaccessible to families individually due to their socioeconomic profile. This demonstrates the strategic advantage of association and social organization under a cooperative structure for highly vulnerable households.
- Financially, the model reduces direct construction costs through non-monetary social capital (mutual aid labor), while also strengthening social cohesion and collective habitat management.
- The CVAM typology prioritizes adaptation to family needs and high-quality construction standards. Cooperative housing does not exhibit the typical characteristics associated with conventional social housing programs; rather, it represents a qualitative leap and challenges prevailing paradigms regarding the physical standards of housing targeted to low-income populations.

- Compared to traditional room rentals in *mesones*, cooperative contributions are similar or even lower, yet provide an integrated housing solution within an established social network and housing units adapted to family composition and specific needs.
- Collective ownership eliminates speculation and guarantees permanence. The absence of arrears further confirms the model's sustainability and cooperative commitment.

Recommendations

- Secure well-located land in the CHSS through collective ownership or land trusts, leveraging ongoing urban reform processes.
- Apply the CVAM model as a foundation for alternative access mechanisms where full implementation is not feasible (e.g., social leasing schemes).
- Address implementation constraints in the CHSS—including limited access to suitable land and conflictive contexts involving criminal groups—that have delayed CVAM projects. Overcoming these barriers remains a pending challenge for established cooperatives, FUNDASAL, and the Ministry of Housing to ensure quality physical spaces in the Historic Center.

An aerial photograph of a densely packed informal settlement, likely a slum, situated on a narrow strip of land along a body of water. The buildings are tightly packed, with many having corrugated metal roofs. A central dirt road runs vertically through the settlement. The water is visible on both sides, with some boats and structures extending into it. The overall scene depicts a high-density, low-income urban environment.

5 Annexes

Annex 1.

Data gaps

Having up-to-date, reliable, disaggregated, and easily accessible data is essential for the design of housing policies, as well as for investment decisions amid the complex dynamics of housing markets across the region.

This *Yearbook* takes an important step by bringing together previously dispersed information, systematizing its collection, and standardizing its presentation, enabling comparisons and integrating the data into analyses that support decision-making.

The scope of the *Yearbook* is broad: it integrates **261 variables and indicators**, plus **eight cross-cutting indicators**, covering **13 dimensions** of the sector—an effort that requires substantial data collection.

Although progress has been made since the first edition—with an average completion rate of 84% across variables in the 12 countries that have been part of the *Yearbook* since last year—information gaps remain, as detailed below.

The most common gaps across the full set of 15 countries in this year's edition include the following:

- **Detailed production records**—construction permits, housing starts, and housing completions during the year—necessary to monitor the supply of new housing relative to existing backlogs and emerging demand.
- **Residential property transaction records**—both new and pre-owned.
- **Funding for mortgage credit from different sources**, particularly with respect to financial instruments connected to capital markets:
 - credit volumes by funding source
 - primary issuance volumes and secondary market transactions
 - the share of residential assets in collateral
 - participation of institutional investors
- **Annual mortgage financing with disaggregated data**:
 - by purpose—purchase (new and pre-owned), construction, renovation, and expansion
 - by credit product type (fixed-rate, variable-rate, interest-only)
 - refinancing
- **Housing microfinance (HMF)**:
 - portfolio balances and annual volumes

- interest rates and delinquency rates
- number of financial agents
- participation of informal-income households
- **Subsidies**:
 - share by type—indirect and/or direct—within the total number of subsidized mortgage loans contracted during the year
 - volumes of subsidies granted, primarily through tax exemptions and deductions, with a focus on the Social Interest Housing (SIH) segment
- **Affordability—income burden in the second income decile**:
 - to monthly energy consumption payments
 - to mortgage installments and rent
- **Affordability—ability to retain housing**:
 - mortgage foreclosures
 - rental evictions
- **Access to mortgage credit for informal-income households**:
 - by volume of mortgages contracted during the year
 - by number of mortgages
 - with insurance coverage and/or guarantees
- **Existence and size of public land banks**
- **Informal and/or infrastructure-deficient urban land expansion**
- **Land price (per m²)** and the share of land costs in housing project development (in general and for the social housing segment)
- **Inclusion by gender and ethnicity**:
 - in the housing deficit
 - in mortgage credit
- **Green mortgages**:
 - volumes originated
 - number of mortgages generated for certified housing

Making these gaps visible is itself a central objective of the *Yearbook*: only by knowing what information is not available—and why it matters—can governments and institutions be mobilized to produce and/or make more data available.

The absence of information raises barriers to entry for new financial and productive actors, weakens the design and calibration of policies and subsidies, limits research, and exacerbates information asymmetries, ultimately slowing the development of the sector.

Annex 2. Exchange rate list

To facilitate cross-country comparisons, all monetary figures in the Yearbook are presented in U.S. dollars (USD). Data originally reported in local currency were converted into USD using

the exchange rates shown in the table below, allowing re-conversion into local currencies when necessary.

Country	Currency (Code)	Exchange rates to USD			
		2023		2024	
		Average	Dec	Average	Dec
Argentina	ARS	0.003820	0.001239	0.001093	0.000970
Barbados	BBD	0.500000	0.500000	0.500000	0.500000
Brazil	BRL	0.200400	0.206100	0.185565	0.161507
Chile	CLP	0.001193	0.001135	0.001060	0.001009
Colombia	COP	0.000233	0.000258	0.000245	0.000227
Costa Rica	CRC	0.001847	0.001925	0.001941	0.001962
Ecuador	SVC	1.0	1.0	1.0	1.0
El Salvador	-	1.0	1.0	1.0	1.0
Honduras	HNL	0.040520	0.040530	0.040324	0.039401
Mexico	MXN	0.056450	0.058920	0.054630	0.049338
Panama	PAB	1.0	1.0	1.0	1.0
Paraguay	PYG	0.000137	0.000137	0.000132	0.000128
Peru	PEN	0.267400	0.270800	0.266489	0.265569
Dominican Republic	DOP	0.017860	0.017240	0.016788	0.016307
Uruguay	UYU	0.025760	0.025600	0.024868	0.022693

Source: Authors based on IMF data.

Annex 3. List of Variables and Methodological Notes

The list of the 261 variables and indicators included in the *Yearbook* is presented below, organized according to the 13 dimensions that structure the database. Each variable

includes its corresponding digital system code and its respective methodological note.

Macro

Variable	Code	Methodological Note
Macroeconomic Data		
Inflation (Consumer Price Index)	MA-1-01	Annual accumulated inflation rate – Consumer Price Index (CPI): cumulative price variation over the 12 months from January to December of the reference year, using the most reliable official index.
Official Policy Interest Rate	MA-1-02	Reference interest rate defined by the Central Bank. Central Bank policy rate (IFS/IMF).
Average Deposit Interest Rate	MA-1-03	Deposit rates refer to rates offered to resident clients for demand, term, or savings deposits. Rates for term and savings deposits are often classified by maturity and deposit amount. In addition, deposit banks and similar institutions may offer short- and medium-term instruments at specific rates for specific amounts and maturities; these are commonly referred to as “certificates of deposit.”
Average Bank Lending Rate	MA-1-04	Weighted average interest rate on fixed-rate bank credit operations to households and firms (weighted by loan amounts).
GDP	MA-1-05	Gross Domestic Product: the sum (in monetary terms) of all final goods and services produced by the country during the reference year (January–December). Reflects the level of economic activity.
GDP per Capita (PPP-based)	MA-1-06	GDP per capita at Purchasing Power Parity (PPP) represents the total value, in PPP terms, of final goods and services produced within a country during a specific period divided by the average population in that same year.
Housing Investment (Gross Fixed Capital Formation)	MA-1-07	Gross fixed capital formation in housing: a National Accounts System (SNA) operation that records the expansion of an economy’s future productive capacity through current investments in fixed assets, i.e., produced goods that can be used repeatedly and continuously in other production processes.
Labor Market: Labor Force Participation Rate	MA-1-08	The labor force participation rate (formerly known as the economically active population) measures the proportion of a country’s working-age population actively participating in the labor market, either employed or seeking employment. It reflects the size of the labor supply available at a given time to produce goods and services relative to the working-age population. Disaggregation by sex and age group provides the labor force distribution profile.
Labor Market: Underemployment Rate	MA-1-09	Time-related underemployment: a measure of labor underutilization indicating the proportion of employed persons willing and available to increase their working hours and who worked fewer hours than a specified time threshold during the reference period (ILO definition).
Labor Market: Informality Rate	MA-1-10	All employment in the informal sector, or persons who during the reference period were employed in at least one informal enterprise, regardless of employment status or whether it was their primary or secondary activity.
Labor Market: Unemployment Rate	MA-1-11	Official unemployment rate, corresponding to the percentage of the labor force that is unemployed.

Debt Burden: Household Debt Service-to-Income Ratio	MA-1-12	Average percentage of monthly household income committed to servicing total debt (mortgage, consumer, etc.).
Median Household Income: National Level	MA-1-13	Median gross annual household income at the national level. If median is unavailable, report the average and specify in the observations.
Median Household Income: Urban Level	MA-1-14	Median gross annual household income at the urban level. If median is unavailable, report the average and specify in the observations.
Poverty Rate	MA-1-15	Percentage of persons below the national poverty line.
Income Inequality: Gini Coefficient	MA-1-16	Income distribution/concentration indicator (UNDP), ranging from 0 (lower inequality) to 1 (higher inequality).
Demography		
Total Population	MA-2-01	Total number of persons residing in the country, regardless of legal status or citizenship.
Population Aged 65+	MA-2-02	Percentage of the population aged 65 years or older relative to total population.
Most Populous City (Reference)	MA-2-03	City with the largest population in the country according to the most recent census or survey, serving as the reference city for municipal-level variables.
Urbanization Rate	MA-2-04	Urban population as a percentage of total population, according to national statistical institute definitions.
Population Growth Rate (Average Annual)	MA-2-05	Percentage of average annual population increase between two demographic censuses.
Total Households	MA-2-06	Total number of households. A household consists of persons living together in a dwelling as a family or group.
Average Household Size	MA-2-07	Average household size (average number of persons per household).
Policy and Public Investment		
Current Housing Policy	MA-3-01	Indicates the existence of a valid housing policy. Note: Do not confuse policy with housing programs.
Current Housing Plan	MA-3-02	Indicates the existence of an active housing plan establishing strategies, actions, and targets to achieve the objectives set in the housing policy. Note: Do not confuse with housing programs.
Public Investment in Housing	MA-3-03	Sum of all public investments—central/federal administration and federal entities—in housing (direct and indirect subsidies, housing production, upgrading of informal settlements, tax exemptions and reductions, etc.).
Share of Housing Investment in Total Public Investment	MA-3-04	Share of housing expenditure in total public investment and financial investment expenditure within the national budget.

Housing Market

Variable	Code	Methodological Note
Housing Stock		
Housing stock: Total number of dwellings	MV-1-01	A dwelling is a structurally separate and independent place intended for habitation by one or more persons, or that is used as such. The essential criteria of this definition are separation and independence.
Average residents per dwelling	MV-1-02	Average number of inhabitants per dwelling.
Housing vacancy rate	MV-1-03	Percentage of total dwellings that are vacant, unoccupied, or not rented. Data may be available only for urban areas. Note: It is necessary to consider limitations in data use, as some dwellings may be vacant seasonally (country or vacation homes) or between tenants or rental contracts.
Substandard housing	MV-1-04	Dwellings with physical inadequacies relative to urban regulatory standards.
Total urban households	MV-1-05	Total number of households counted in urban areas.
Urban housing deficit: Quantitative	MV-1-06	Number of dwellings that must be added to the housing stock, according to the methodology adopted.
Urban housing deficit: Qualitative	MV-1-07	Number of dwellings presenting some type of qualitative deficit—physical, infrastructural (urban services), tenure-related, or other—according to the methodology adopted.
Share of owner-occupied dwellings	MV-1-08	Percentage of households living in owner-occupied dwellings (formal or informal, including substandard, fully paid or financed) relative to total households (macro level).
Formal Housing Production per Year		
Building permits issued	MV-2-01	Construction permits issued during the year for new housing units.
Housing starts	MV-2-02	Number of residential units whose construction began during the year.
Housing completions	MV-2-03	Number of housing units completed during the year / occupancy permits issued during the year.
Housing transactions (new + existing): National level	MV-2-04	Number of sales transactions of new and existing residential properties at the national level, excluding the purchase of land parcels only.
Housing transactions (new + existing): Urban level	MV-2-05	Number of sales transactions of new and existing residential properties at the urban level, excluding the purchase of land parcels only.
Housing Prices		
Median housing price: Sale; National	MV-3-01	Median sale price—at the national level—of residential properties (or average if median is unavailable, depending on data availability—specified in the note).
Median housing price: Sale; Urban	MV-3-02	Median sale price (or average if median is unavailable, depending on data availability—specified in the note) at the urban level of residential properties.
Median housing price: Sale; Most populous city	MV-3-03	Median sale price—at the most populous city—of residential properties (or average if median is unavailable, depending on data availability—specified in the note).
Median housing price: Rent; National	MV-3-04	Median monthly rental price—at the national level—of residential properties.
Median housing price: Rent; Urban	MV-3-05	Median monthly rental price—at the urban level—of residential properties.
Median housing price: Rent; Most populous city	MV-3-06	Median monthly rental price—at the most populous city—of residential properties.
Existence of a housing price index	MV-3-07	Indicates the existence of at least one price index—an analytical indicator designed to measure the rate of variation of residential property sale prices at the national level.
Data used in the adopted price index	MV-3-08	Type of data used in the construction of the price index: LP = listing/offer price; TP = transaction price; VP = valuation price. Note: When more than one index exists in the country, the most comprehensive and reliable one is selected.

Methodology used to calculate the adopted price index	MV-3-09	Description of the measurement method of the selected price index: SM (simple mean or median); HR (hedonic regression); RS (repeat sales); Hyb (hybrid method combining hedonic regression and repeat sales).
Price index rate of change: Sale; National	MV-3-10	Percentage rate of change in the sale price index relative to the previous year at the national level.
Price index rate of change: Rent; National	MV-3-11	Percentage rate of change in the rental price index relative to the previous year at the national level.
Price index rate of change: Sale; Most populous city	MV-3-12	Percentage rate of change in the sale price index relative to the previous year in the most populous city.
Price index rate of change: Rent; Most populous city	MV-3-13	Percentage rate of change in the rental price index relative to the previous year in the most populous city.

Housing Finance System

Variable	Code	Methodological Note
Ecosistema de agentes financeiros que oferecem financiamento habitacional		
Housing credit institutions: Public or quasi-public	SF-1-01	Indicates the existence of at least one public or quasi-public housing credit institution, including public banks, development agencies, and housing agencies.
Housing credit institutions: Commercial/Universal banks	SF-1-02	Authorized financial institutions that serve individuals and legal entities, providing credit/resources to various sectors of the economy and mobilizing resources through deposits and other financial instruments.
Housing credit institutions: Non-bank deposit-taking institutions	SF-1-03	Savings and loan associations, credit unions, and other institutions that accept deposits but are not incorporated as commercial banks.
Housing credit institutions: Credit companies/fintechs	SF-1-04	Institutions that grant mortgage credit but are not authorized to accept deposits; includes fintechs and other for-profit mortgage companies.
Housing credit institutions: Housing associations (NGOs)	SF-1-05	Institutions that grant mortgage credit but are not authorized to accept deposits; includes private housing associations/companies and non-profit NGOs.
Housing credit institutions: Special funds	SF-1-06	Dedicated funds that may consist of pension contributions, savings schemes, or other resources that operate in mortgage lending.
Housing credit institutions: Other	SF-1-07	Maps the diversity of financial agents offering residential mortgages (including home equity loans), such as residential consortium administrators, insurance companies, pension funds, and similar entities.
Other Components of the Housing Finance System		
Other institutions: Second-tier banking	SF-2-01	Financial institutions that do not deal directly with borrowers but channel resources to first-tier agents, which in turn provide funds directly to the final borrower.
Other institutions: Liquidity providers	SF-2-02	Identifies whether there is a public or private institution acting as an intermediary between mortgage-originating institutions and capital markets, with the objective of providing liquidity by supplying long-term funding at improved rates and conditions.
Other institutions: Other agents	SF-2-03	Identifies other agents not classified above that operate within the country's housing credit system, such as banking correspondents, payment institutions, guarantee agents, etc.
Credit bureaus	SF-2-04	Indicates the existence of credit bureaus—companies maintaining extensive databases with credit history information on individuals and legal entities, based on payment and debt records.
Mortgage default insurance: Available	SF-2-05	Indicates whether mortgage insurance exists that covers lenders (or investors) against losses resulting from mortgage loan default. Mortgage insurance may be public or private, depending on the insurer.
Mortgage default insurance: Public	SF-2-06	Identifies whether a public institution provides this type of insurance/guarantee.
Regulatory Aspects		
Regulatory restrictions on access to credit information	SF-3-01	Identifies whether there are legal or regulatory restrictions limiting access to credit information.
Existence of renegotiation/refinancing rules	SF-3-02	Identifies whether formal rules exist to guide financial institutions in renegotiation or refinancing processes.
Existence of portability rules	SF-3-03	Identifies whether it is legally possible to transfer a loan from the original creditor to another financial institution, allowing the borrower to seek a lower interest rate than in the original contract.
Types of collateral used in mortgage contracts	SF-3-04	Identifies the types of collateral used in residential mortgage contracts where the property serves as security for the loan.
A property may secure more than one loan	SF-3-05	Identifies whether the regulatory framework allows the same property to serve as collateral in more than one credit operation (typical case: housing finance and a home equity loan secured by the same property).
Non-recourse loans: Foreclosure extinguishes the debt	SF-3-06	Identifies whether the regulatory framework establishes that foreclosure of the property fully extinguishes the mortgage debt, even if the property is not sold or is sold for less than the outstanding balance. In other words, the lender cannot claim additional amounts beyond the collateral.

Funding Sources

Variable	Code	Methodological Note
Ranking of Funding Sources for Mortgage Loans to Households		
Funding for mortgage origination to households: Public resources	FO-1-01	Public budget resources that support housing credit offered to households, whether channeled through state-owned or private banks and agencies.
Funding for mortgage origination to households: Special/Dedicated funds	FO-1-02	Resources channeled through special or dedicated funds for the origination of mortgage loans to households. Specify the type of fund (public, private, social security, pension funds, or other).
Funding for mortgage origination to households: Refinancing institutions	FO-1-03	Liquidity or refinancing institutions that provide funding to mortgage-originating financial agents.
Funding for mortgage origination to households: Wholesale funding	FO-1-04	Wholesale loans (housing banks, development banks, other banks, and financial corporations) operating at the second-tier level.
Funding for mortgage origination to households: Deposits	FO-1-05	Deposits: voluntary (cash or savings), mandatory, and contractual (contract savings schemes).
Funding for mortgage origination to households: Securitization	FO-1-06	Securitization backed by residential mortgages (Residential Mortgage-Backed Securities – RMBS).
Funding for mortgage origination to households: Mortgage bonds	FO-1-07	Mortgage bonds — either secured (covered bonds) or unsecured. Note: specify whether covered, unsecured, or both.
Funding for mortgage origination to households: Other sources	FO-1-08	Resources managed by pension funds, consortia, philanthropic funds, or other entities.
Main Funding Sources for Mortgage Loans to Households		
Main funding source	FO-2-01	Identifies the largest funding source by volume for mortgage credit to households (ranked as 1 in the previous section). Describe the main source of funding for mortgage credit to households — if a special fund, specify type; if bonds, indicate whether covered or unsecured, mortgage-specific or general; if deposits, indicate savings or general, term or non-term.
Share of main funding source in total funding	FO-2-02	Measures the share of the main funding source in total mortgage funding for households.
Second most important funding source	FO-2-03	Identifies the second largest funding source by volume. Specify whether it is a special fund (and type), bonds (covered/uncovered; mortgage-specific/general), deposits (savings/general; term/non-term), etc.
Share of second funding source in total funding	FO-2-04	Measures the share of the second largest funding source in total mortgage funding for households.
Funding subject to mandatory housing credit allocation	FO-2-05	Specifies whether any funding source is subject, by regulation, to a mandatory obligation to invest in housing credit and at what required percentage.
Required allocation percentage	FO-2-06	Specifies the mandatory investment percentage in housing credit when such regulatory obligation exists.
Main Funding Sources for Housing Production Credit		
Main funding source for housing production	FO-3-01	Identifies the largest funding source by volume financing formal housing production by developers/builders: Public/Budget resources, deposits, wholesale funding, special funds, securitization, debentures, developers' own resources, or others.
Share of main funding source in total housing production funding	FO-3-02	Measures the share of the main funding source in total funding for housing production credit.
Second most important funding source for housing production	FO-3-03	Identifies the second largest funding source financing formal housing production by developers/builders: Public/Budget resources, deposits, wholesale funding, special funds, securitization, debentures, developers' own resources, or others.
Share of second funding source in total housing production funding	FO-3-04	Measures the share of the second largest funding source in total funding for housing production credit.

Capital Market Instruments Linked to Housing Finance

Volume of real estate bond issuance	FO-4-01	Sum of primary issuances of real estate securities (securitizations and bonds).
Share of institutional investors in issuances	FO-4-02	Volume of real estate securities acquired by institutional investors (insurance companies, banks, pension funds) relative to total issuances during the year.
Share of residential-based issuances	FO-4-03	Volume of issuances backed by residential properties relative to total issuances during the year.
Secondary market trading volume of real estate bonds	FO-4-04	Monthly volume traded in the secondary market, including all real estate securities. Reflects the dynamism of the secondary market for mortgage-related securities and bonds.

Mortgage Housing Credit

Variable	Code	Methodological Note
Mortgage Credit Portfolios		
Total outstanding mortgage portfolio balance	CV-1-01	Sum of outstanding balances of active mortgage credit operations across all financial agents, including refinancings and home equity loans. Note: A mortgage loan is secured by a lien on the property (excluding developer installment loans and personal/consumer loans), but includes home equity loans if secured by a lien.
Mortgage credit indexed to inflation	CV-1-02	Share of the total outstanding mortgage portfolio indexed to the Consumer Price Index (CPI).
Delinquency rate (portfolio volume)	CV-1-03	Ratio between the volume of operations with at least one installment more than 90 days past due and the total outstanding portfolio balance. The full outstanding balance of the operation is considered delinquent if any installment exceeds 90 days past due.
Total number of mortgages in portfolio	CV-1-04	Number of active mortgage credit contracts across all financial agents, including refinanced loans and home equity loans.
Delinquency rate (number of mortgages)	CV-1-05	Ratio between the number of operations with at least one installment more than 90 days past due and the total number of operations in the portfolio, including refinanced and home equity loans.
Main institution: Type	CV-1-06	Identifies the type of institution that is the principal active financial agent in terms of mortgage portfolio volume and market share in mortgage origination: 1) Universal/commercial bank; 2) Other deposit institutions (savings and loan, mutual institutions); 3) Non-deposit financial institutions; 4) Special funds (pension, severance, etc.); 5) Other (insurance companies, pension funds, etc.).
Main institution: Name	CV-1-07	Identifies the name of the principal active mortgage credit agent, recording its name, institution type, and market share relative to the total mortgage portfolio across all agents.
Main institution: Public or semi-public?	CV-1-08	Identifies whether the principal active mortgage institution is public or semi-public.
Main institution: Specialized mortgage institution?	CV-1-09	Identifies whether the principal mortgage institution specializes in housing mortgage lending.
Main institution: Market share	CV-1-10	Ratio between the mortgage portfolio of the principal agent and the sum of mortgage portfolios across all active agents.
Mortgage Credit Originated During the Year		
Volume of mortgage credit originated	CV-2-01	Sum of mortgage credit operations originated during the year by all financial agents, including refinancings and home equity loans.
Share of refinancings	CV-2-02	Percentage of the total volume originated during the year that corresponds to refinanced loans.
Number of mortgages originated	CV-2-03	Number of mortgage loans originated during the year, including refinancings and home equity loans.
Number of dwellings financed: New housing acquisition	CV-2-04	Number of credit contracts signed during the year for the acquisition of newly built housing (completed within the last 12 months) by the final borrower. Excludes refinancings.
Number of dwellings financed: Existing housing acquisition	CV-2-05	Number of credit contracts signed during the year for the acquisition of existing housing. Excludes refinancings.
Number of dwellings financed: Self-construction	CV-2-06	Number of mortgage contracts signed with the final borrower for self-managed construction (excluding construction undertaken by a developer or construction firm).
Number of dwellings financed: Renovation or expansion	CV-2-07	Number of credit contracts signed with the final borrower for renovation or expansion of an existing dwelling. Excludes microfinance and refinancings.
Mortgage Products for Housing Acquisition		
Fully amortizing fixed-rate mortgage (FRM)	CV-3-01	Share of housing acquisition financing during the year consisting of fully amortizing contracts with a fixed interest rate for the entire loan term.

Fully amortizing variable-rate mortgage (VRM)	CV-3-02	Share of housing acquisition financing during the year consisting of fully amortizing contracts with a variable interest rate adjusted according to contractual terms (may remain fixed for up to one year). A VRM includes an initial fixed-rate period shorter than the full loan term, followed by periodic rate adjustments.
Fully amortizing adjustable-rate mortgage (ARM)	CV-3-03	Share of housing acquisition financing during the year consisting of fully amortizing contracts with a fixed-rate period longer than one year but shorter than the full loan term.
Interest-only mortgage (American system)	CV-3-04	Share of housing acquisition financing during the year consisting of contracts without periodic principal amortization, where only interest payments are made during the term.
Average loan size (typical product)	CV-3-05	Average value of housing financing originated during the year for the most common mortgage product type (e.g., FRM, VRM).
Islamic/Sharia-compliant financing: Exists	CV-3-06	Identifies whether Islamic/Sharia-compliant housing financing is offered.
Islamic/Sharia-compliant financing: Total portfolio balance	CV-3-07	Total outstanding balance of Islamic/Sharia-compliant mortgage financing at year-end.
Islamic/Sharia-compliant financing: Volume originated during the year	CV-3-08	Volume of Islamic/Sharia-compliant mortgage financing originated during the year.
Credit Conditions		
Weighted average interest rate (housing acquisition)	CV-4-01	Weighted average interest rate based on the volume of mortgage loans originated during the year for housing acquisition.
Typical market interest rate – FRM	CV-4-02	Typical non-subsidized annual interest rate for fixed-rate mortgage contracts, weighted by originated volume and including any applicable indexation component.
Typical market interest rate – VRM	CV-4-03	Typical non-subsidized annual interest rate for variable-rate mortgage contracts, weighted by originated volume and including any applicable indexation component.
Typical subsidized interest rate – FRM	CV-4-04	Typical subsidized annual interest rate for fixed-rate mortgage contracts, weighted by originated volume.
Maximum regulatory interest rate	CV-4-05	Maximum annual interest rate permitted by the regulator for housing mortgage credit.
Typical interest rate – Home equity	CV-4-06	Typical non-subsidized interest rate for home equity loans secured by residential property.
Typical LTV (first mortgage)	CV-4-07	Typical Loan-to-Value (LTV) ratio for first mortgages originated during the year (loan amount divided by the appraised property value securing the loan).
Maximum regulatory LTV	CV-4-08	Maximum LTV ratio permitted by the regulator for housing mortgage credit.
Typical monthly debt-to-income ratio (first mortgage)	CV-4-09	Typical ratio between gross monthly income (before taxes) and total monthly debt service (principal, interest, fees, and insurance included in the installment; excluding property insurance and property taxes) for first mortgages originated during the year.
Maximum regulatory debt-to-income ratio	CV-4-10	Maximum debt-to-income ratio permitted by the regulator for housing mortgage credit.

Housing Production

Variable	Code	Methodological Note
Social Interest Housing (SIH) Production		
Social Interest Housing (SIH) production: Public	PV-1-01	Share of direct public production in the housing segment classified as Social Interest Housing (SIH) — according to income and/or property value parameters established in the country. Includes production sponsored by a public entity at any level of government, whether the housing remains state-owned (rental or concession) or is intended for sale or rental under housing programs.
Social Interest Housing (SIH) production: Private	PV-1-02	Share of private production (developers) in the housing segment classified as SIH according to income and/or property value parameters established in the country. Includes production by private investment funds, builders, and developers for rental, leasing, or market sale.
Social Interest Housing (SIH) production: PPPs	PV-1-03	Share of Public-Private Partnership (PPP) production in the housing segment classified as SIH according to income and/or property value parameters established in the country.
Social Interest Housing (SIH) production: Housing associations	PV-1-04	Share of non-profit institutions — such as cooperatives, housing condominiums, housing associations, and NGOs — in the production of housing in the SIH segment (according to income and/or property value parameters established in the country).
Social Interest Housing (SIH) production: Households (self-production), formal or informal	PV-1-05	Share of households in the SIH segment that produce their own housing — either comprehensively or incrementally, formally or informally.
Housing Construction		
Average construction cost per m ² (standard housing)	PV-2-01	National average cost per m ² of construction for mid-standard residential property.
Construction price index annual variation	PV-2-02	Annual rate of change compared to the previous year of the Construction Price Index. Specify the index used in the note.
Time (days) to obtain residential construction permit	PV-2-03	Average number of days required to obtain a residential construction permit. Reference is the most populous city.
Volume of resources invested in housing production	PV-2-04	Volume of resources invested in formal housing production (all segments) during the year.
Bank Credit for Formal Housing Production		
Bank credit for formal production: Total outstanding production credit portfolio	PV-3-01	Sum of outstanding balances in bank portfolios of credit operations for housing production (loans granted to legal entities) at year-end.
Bank credit for formal production: Delinquency rate	PV-3-02	Credit operations granted to legal entities — housing developers/builders — in bank portfolios with at least one installment more than 90 days past due, weighted by total portfolio balance.
Bank credit for formal production: Credit volume originated during the year	PV-3-03	Sum of credit operations originated during the year with legal entities (developers/builders) for housing production.
Bank credit for formal production: Typical interest rate	PV-3-04	Typical non-subsidized interest rate applied to bank credit operations for housing production.
Bank credit for formal production: Availability to small developers	PV-3-05	Identifies whether bank credit is available to small housing developers (fewer than 30 employees).
Bank credit for formal production: Reduced/subsidized interest rates for SIH production	PV-3-06	Identifies whether differentiated or reduced interest rates exist for the formal production of Social Interest Housing (SIH).

Housing Microfinance (HMF)

Variable	Code	Methodological Note
Regulation		
Housing Microfinance (HMF) regulated as a financial product	MF-1-01	Identifies whether Housing Microfinance (HMF) is regulated as a financial product, including from the perspective of prudential capital regulation. Note: HMF refers to small loans or credits intended to finance housing improvements, repairs, or incremental construction for low-income households. These typically have short maturities and small loan amounts. They are not mortgage loans, as they do not require real estate collateral.
HMF requires property title	MF-1-02	Identifies whether regulation requires the household to be the formal owner of the property.
Market Characterization of Housing Microfinance (HMF)		
Existence of HMF supply	MF-2-01	Identifies whether Housing Microfinance products are offered. Identification is based on the supply side. Does not include consumer credit lines that may be used to purchase construction materials.
Outstanding HMF portfolio balance	MF-2-02	Sum of outstanding balances of active housing microfinance loans across all institutions offering this product.
HMF delinquency rate	MF-2-03	Ratio between the volume of loans with at least one installment more than 90 days past due and the total portfolio balance. The full outstanding balance of a loan is considered if any installment is overdue.
HMF loan volume originated during the year	MF-2-04	Total volume of Housing Microfinance loans (without collateral) originated during the year by financial institutions offering this product.
Typical HMF interest rate	MF-2-05	Identifies the typical non-subsidized interest rate applied to HMF contracts.
HMF included in credit bureaus	MF-2-06	Identifies whether HMF loans are reported to credit bureaus.
Number of financial institutions offering HMF	MF-2-07	Counts the number of institutions operating in HMF during the year, measuring market dynamism and level of competition.
Existence of guarantees for HMF	MF-2-08	Identifies whether insurance or guarantee mechanisms can be contracted for HMF operations.
Existence of public guarantees for HMF	MF-2-09	Identifies the types of public guarantees offered or available for HMF.
Existence of private guarantees for HMF	MF-2-10	Identifies the types of private guarantees offered or available for HMF.
HMF in the Principal Agent by Volume		
Principal HMF originator (by volume)	MF-3-01	Identifies the name of the principal Housing Microfinance originator with the largest market share by loan volume.
Market share of principal HMF agent	MF-3-02	Percentage share of the largest agent in total HMF volume.
Number of HMF operations (principal agent)	MF-3-03	Number of Housing Microfinance loans originated during the year by the principal agent.
Average loan size (principal agent)	MF-3-04	Average loan size of HMF operations originated during the year by the principal financial institution.
Share of informal income borrowers (principal agent)	MF-3-05	Percentage of informal income borrowers served by the principal HMF agent in loans originated during the year.

Subsidies and Affordability

Variable	Code	Methodological Note
Mortgage Credit Subsidies		
Subsidized funding sources for housing mortgage credit (for financial institutions)	SA-1-01	Maps the existence of funding sources for housing mortgage credit provided at interest rates below market rates.
Subsidies for households in housing mortgage credit	SA-1-02	Maps the existence of any type of subsidy (direct or indirect) linked to housing mortgage credit for households/borrowers.
Indirect subsidies (interest rate) for households in housing mortgage credit	SA-1-03	Identifies whether interest rate subsidies or interest reduction subsidies exist.
Highest income decile eligible for indirect subsidies in mortgage credit	SA-1-04	Indicates the highest income decile eligible for access to indirect subsidies (interest rate subsidies).
Direct subsidies (down payment/ deposit) for households in housing mortgage credit	SA-1-05	Maps the existence of direct subsidies to households to cover the down payment (partially or fully) in housing mortgage financing.
Highest income decile eligible for direct subsidies in mortgage credit	SA-1-06	Indicates the highest income decile eligible for access to direct subsidies, if they exist.
Other types of subsidies associated with housing mortgage credit	SA-1-07	Maps the existence of other types of subsidies such as reductions in notarial fees, transaction and/or income taxes, guarantees, etc.
Highest income decile eligible for other mortgage-related subsidies	SA-1-08	Indicates the highest income decile eligible for access to other types of subsidies associated with mortgage credit.
Share of subsidized mortgages originated during the year	SA-1-09	Percentage of total new housing mortgage loans originated during the calendar year that were subsidized (directly or indirectly).
Share of indirect subsidies in total subsidized mortgages originated during the year	SA-1-10	Share of indirect subsidies in the total number of subsidized housing mortgage loans.
Share of direct subsidies in total subsidized mortgages originated during the year	SA-1-11	Share of direct subsidies in the total number of subsidized housing mortgage loans.
Housing Microfinance Subsidies (HMF)		
Subsidized funding sources for housing microfinance	SA-2-01	Indicates the existence of funding sources to support Housing Microfinance (HMF), allowing financial institutions to provide funding at interest rates below market rates.
Types of indirect subsidies (interest rate) for households in HMF	SA-2-02	Indicates the existence of housing microfinance offered at interest rates below market rates, either through subsidized funding or through public subsidies to reduce loan interest rates.
Technical assistance for households in HMF	SA-2-03	Indicates the provision of Technical Assistance — partially or fully subsidized — linked to Housing Microfinance.
Subsidized guarantee for households in HMF	SA-2-04	Indicates the existence of partially or fully subsidized insurance/guarantee mechanisms for housing microloans.
Other types of subsidies in HMF	SA-2-05	Maps the existence of any other type of subsidy linked to Housing Microfinance (e.g., tax deductions, subsidies for construction materials, etc.).
Number of families served with HMF subsidies	SA-2-06	Number of families that received any type of subsidy linked to Housing Microfinance during the year.
Rental Housing Subsidies		
Rental subsidy: public housing stock	SA-3-01	Maps the existence of publicly owned housing units made available for rent at below-market prices.

Rental subsidy: emergency monetary assistance	SA-3-02	Maps the existence of monetary assistance for families affected by resettlement processes or adverse events (including climate-related events such as fires, floods, landslides, etc.), enabling them to secure alternative housing through rental vouchers.
Rental voucher for private rental market	SA-3-03	Maps the existence of a monetary subsidy (voucher) program to supplement private rental payments at market prices. Unlike emergency assistance, it is linked to a formal rental contract and establishes eligibility parameters (income and housing quality).
Rental guarantee subsidy	SA-3-04	Maps the existence of a subsidized guarantee/insurance mechanism associated with rental housing.
Number of families served with rental subsidies	SA-3-05	Number of families that received any type of subsidy linked to rental housing during the year.
Total Subsidies		
Volume of public budgetary housing subsidies	SA-4-01	Volume of budgetary subsidies granted during the year related to housing support (financing, rental, etc.).
Economic Affordability		
Income commitment for monthly mortgage payment (2nd income decile)	SA-5-01	Average level of monthly income commitment (payment-to-income ratio) of households in the second income decile who are housing mortgage borrowers.
Income commitment for monthly rent payment (2nd income decile)	SA-5-02	Average level of monthly income commitment of households in the second income decile for rental payments.
Income commitment for monthly electricity payment (2nd income decile)	SA-5-03	Average level of monthly income commitment of households in the second income decile for electricity consumption.
Lowest income decile served with home purchase credit	SA-5-04	Indicates the lowest income decile recorded with access to credit for home acquisition during the year.
Lowest income decile served with housing microfinance	SA-5-05	Indicates the lowest income decile recorded with access to housing microfinance during the year.
Number of mortgage foreclosures	SA-5-06	Number of borrowers who lost residential properties financed through mortgage credit as a result of foreclosure proceedings during the year.
Number of rental evictions	SA-5-07	Number of tenants who were evicted during the year.

Informality

Variable	Code	Methodological Note
Informal Housing Market in the Reference City		
Informal purchase and sale of residential properties	IN-1-01	Refers to real estate transactions carried out without a formal/registered contract (or under a private, unregistered agreement): indicates the existence of informal residential property purchase and sale transactions.
Informal rental transactions	IN-1-02	Maps the existence of an informal rental market.
Informal/illegal occupation of vacant buildings	IN-1-03	Refers to informal occupations of urban properties: maps the incidence of informal occupation of vacant properties (squatting).
Informal/illegal occupation of historic heritage properties	IN-1-04	Refers to informal occupations of urban properties: maps the incidence of informal occupation of historic heritage buildings.
Informal/illegal occupation of subdivisions	IN-1-05	Maps the existence of informal and clandestine allotments.
Informal/illegal occupation of preservation areas	IN-1-06	Maps the incidence of informal occupation (land parcels and/or construction) in environmental preservation areas.
Evolution of Land Informality in the Country		
Deficit due to irregular property/possession status	IN-2-01	Refers to land inadequacy corresponding to occupations/dwellings on public or private land that lack legally recognized property status under available legal instruments securing tenure and, therefore, the right to housing.
Households in irregular settlements / substandard agglomerations (favelas)	IN-2-02	Counts the total number of households located in precarious settlements or marginal/informal neighborhoods.
Land regularization processes	IN-2-03	Counts the number of irregular dwellings that underwent land regularization processes during the year.
Urban upgrading of informal settlements	IN-2-04	Counts the number of households located in areas where urban upgrading was completed during the year (including legal, urban, environmental, social, and territorial regularization measures).
Access to Credit for Informal Income Earners		
Share of informal income earners in total mortgage volume originated during the year	IN-3-01	Maps the participation of informal workers in access to a mortgage loan for home acquisition: percentage of total credit volume originated during the year with informal workers as loan holders.
Share of informal income earners in total number of mortgages originated during the year	IN-3-02	Percentage of total mortgage contracts during the year signed with informal workers as loan holders.
Access to housing mortgage credit for informal income earners with insurance or guarantee coverage	IN-3-03	Identifies the existence of specific additional insurance or guarantee mechanisms that enable informal income earners to access housing mortgage credit.

Urban Land Market

Variable	Code	Methodological Note
Government Intervention		
Public land bank	MS-1-01	Total surface area of publicly owned urban land banks that remain undeveloped.
Legal designation of Social Interest Housing (SIH) areas in zoning	MS-1-02	Indicates whether land-use planning designates exclusive urban zones for the construction of social housing.
Promotion of densification through zoning	MS-1-03	Existence of an urban policy that promotes densification along structural corridors such as bus corridors, metro and/or urban rail stations, and major urban circulation routes, establishing new height, density, buildability, and minimum lot size provisions, including the creation of additional development rights.
Inclusive urban planning instruments adopted for zoning and subdivision	MS-1-04	Lists regulated urban planning instruments such as the Master Plan; Progressive Property Tax over time; Expropriation with Payment in Public Debt Bonds; Special Adverse Possession of Urban Property; Surface Rights; Right of First Refusal; Transfer of Development Rights; Neighborhood Impact Study; Solidarity Quota, among others.
Use of underutilized or vacant public land	MS-1-05	Indicates whether there is a policy for the use of underutilized or vacant public properties (built or vacant land) for allocation to social housing (in any format — public production, private production, or PPP for sale, rental, or concession).
Subsidies linked to intra-urban location	MS-1-06	Indicates whether there is a subsidy policy (or subsidized housing program) differentiated by intra-urban location.
Expansion and Informality		
Formal urban land growth / with infrastructure	MS-2-01	Records urban expansion classified as formal/with infrastructure: formal subdivisions that hold the necessary licenses and authorizations and provide basic infrastructure.
Informal urban land growth / without infrastructure	MS-2-02	Records urban expansion classified as informal/without infrastructure: informal subdivisions resulting from land occupation, land trafficking, clandestine allotments, and allotments without infrastructure.
Rate of new informal occupations	MS-2-03	Cross-cutting indicator between informality and the land market used to map the annual growth of informal occupations: ratio between the number of new informal occupations identified in the most recent survey and the total number of informal settlements in the municipality.
Urban Land Market		
Average price per m ² of land in recent developments in peripheral areas	MS-3-01	Average price per m ² recorded in new housing developments located in peripheral areas.
Average price per m ² of land in recent developments in urban centralities	MS-3-02	Average price per m ² recorded in new housing developments located in urban central areas.
Average price per m ² of land in recent SIH developments	MS-3-03	Average price per m ² recorded in new Social Interest Housing (SIH) developments.
Share of land cost in SIH development	MS-3-04	Average percentage share of land price in the total sales value of SIH developments.
Share of land cost in non-SIH housing development	MS-3-05	Average percentage share of land price in the total sales value of housing developments in other segments (non-SIH).

Fiscal Dimension

Variable	Code	Methodological Note
Taxes and Fees Associated with Residential Properties		
Average property tax (most populous municipality)	DF-1-01	Property/urban real estate tax applied in the most populous municipality: rate applied to the assessed value of the property as a territorial/urban property tax.
Progressive property tax over time (most populous municipality)	DF-1-02	Property/urban real estate tax in the most populous municipality: fiscal penalty applied in cases where there is no construction or use of the urban property, subject to a rate that increases progressively over time.
Property transfer tax	DF-1-03	Tax rate applied to the transfer of real estate property (inter vivos).
Notarial registration fee for home purchase	DF-1-04	Property registration fees charged by land registry offices: registration fee for the purchase and sale of residential properties charged by property registry offices.
Notarial registration fee for real estate development	DF-1-05	Property registration fees charged by land registry offices: registration fee for the purchase and sale of residential properties charged by property registry offices.
Capital gains tax on real estate	DF-1-06	Tax on capital gains (difference between purchase price and sale price) when the property is sold.
Rental income tax	DF-1-07	Taxes applied to income received by the owner from rental activities.
Other existing taxes	DF-1-08	Other taxes levied on properties in accordance with local legislation.
Deductions and/or Exemptions		
Urban property tax deduction for homeowner households	DF-2-01	Indicates the existence of a deduction or exemption for certain categories of property owners.
Regulation allowing deduction of mortgage interest payments for homeowner households	DF-2-02	Indicates the regulatory deduction or exemption from income tax related to mortgage interest payments for housing: identifies whether this type of deduction is established in legislation.
Deduction of mortgage interest payments for homeowner households (annual)	DF-2-03	Proportion of new mortgage credit contracts during the year that benefit from mortgage interest payment deductions for homeowner households (annual).
Tax deduction on housing production for developers	DF-2-04	Indicates the existence of a tax deduction or exemption, or special tax regimes, related to housing construction activity.
Deduction on returns from real estate securities for investors	DF-2-05	Indicates the existence of a deduction or exemption from taxes on returns from investments in securities (RMBS, REITs/FII, bonds, debentures) backed by housing mortgage loans.
Total deductions for the housing sector	DF-2-06	Quantifies deductions/exemptions granted during the fiscal year: estimated amount of foregone tax revenue related to residential mortgages and properties.
Total deductions for the housing sector focused on Social Interest Housing (SIH)	DF-2-07	Quantifies deductions/exemptions granted during the fiscal year: estimated amount of foregone tax revenue related exclusively to residential mortgages and properties within the SIH segment.

Credit Inclusion

Variable	Code	Methodological Note
Regulation		
Regulation on registration and disclosure of housing credit information	IC-1-01	Existence of regulation requiring Financial Institutions to publish information that enables the identification of discriminatory patterns — in terms of territory (“redlining”), gender, or race/ethnicity — in housing mortgage lending, similar to the U.S. HMDA.
Quantitative and Qualitative Deficit		
Share of women in the quantitative housing deficit	IC-2-01	Share of women in the quantitative housing deficit.
Share of Afro-descendants in the quantitative housing deficit	IC-2-02	Share of Afro-descendants in the quantitative housing deficit.
Share of Indigenous people in the quantitative housing deficit	IC-2-03	Share of Indigenous people in the quantitative housing deficit.
Share of women in the qualitative housing deficit	IC-2-04	Share of women in the qualitative housing deficit.
Share of Afro-descendants in the qualitative housing deficit	IC-2-05	Share of Afro-descendants in the qualitative housing deficit.
Share of Indigenous people in the qualitative housing deficit	IC-2-06	Share of Indigenous people in the qualitative housing deficit.
Gender Breakdown		
Share of women in the total population	IC-3-01	Share of women in the total population.
Share of women in residential mortgages	IC-3-02	Ratio of credit contracted by women during the year relative to the total of each segment: residential mortgages contracted by women as sole or primary borrower.
Share of women in housing microfinance	IC-3-03	Ratio of credit contracted by women during the year relative to the total of each segment: housing microcredit contracted by women as sole or primary borrower.
Race Breakdown (Afro-descendants)		
Share of Afro-descendants in the total population	IC-4-01	Share of Afro-descendants in the total population.
Share of Afro-descendants in residential mortgages	IC-4-02	Ratio of credit contracted by Afro-descendants during the year relative to the total of each segment: residential mortgages contracted by Afro-descendants as sole or primary borrower.
Share of Afro-descendants in housing microfinance	IC-4-03	Ratio of credit contracted by Afro-descendants during the year relative to the total of each segment: housing microcredit contracted by Afro-descendants as sole or primary borrower.
Race Breakdown (Indigenous Peoples)		
Share of Indigenous people in the total population	IC-5-01	Share of Indigenous people in the total population.
Share of Indigenous people in residential mortgages	IC-5-02	Ratio of credit contracted by Indigenous people during the year relative to the total of each segment: residential mortgages contracted by Indigenous people as sole or primary borrower.
Share of Indigenous people in housing microfinance	IC-5-03	Ratio of credit contracted by Indigenous people during the year relative to the total of each segment: housing microcredit contracted by Indigenous people as sole or primary borrower.

Sustainability

Variable	Code	Methodological Note
Urban housing stock served by electricity	DS-1-01	Indicates the percentage of the urban housing stock with access to electricity service.
Urban housing stock served by water	DS-1-02	Indicates the percentage of households with adequate water supply (source considered adequate and without service interruptions).
Urban housing stock served by sanitation	DS-1-03	Indicates the percentage of the urban housing stock with adequate sanitation drainage.
Households without an exclusive bathroom	DS-1-04	Number of urban households without a bathroom.
Certified housing production	DS-2-01	Indicates whether certifications — national or international, public or private — are used in housing construction.
National regulation of green housing mortgages	DS-2-02	Mortgage financing (production, improvement, or acquisition) of housing that meets the minimum standard required to be classified as “green.” Refers to the existence of national regulation defining the parameters for classifying and conducting transactions as “green,” including regulations governing the classification of housing mortgages as green.
National regulation of green securitizations	DS-2-03	Existence of national regulation defining the parameters for classifying securitizations as “green.”
National regulation of green covered bonds	DS-2-04	Existence of national regulation defining the parameters for classifying and conducting transactions as “green,” including regulations governing the classification of covered housing bonds as green.
Dedicated funding for green housing mortgages	DS-2-05	Indicates whether there is a dedicated funding source for the origination of green mortgages, which may take the form of a specific fund or designated institution.
Incentives for green housing mortgages	DS-2-06	Identifies existing public or private incentives linked to the issuance or acquisition of these loans/securities.
Volume of green housing mortgages originated	DS-2-07	Volume of mortgages classified as green originated during the year.
Number of green housing mortgages originated	DS-2-08	Number of mortgages classified as green originated during the year.

Annex 4.

List of acronyms and abbreviations

General

AI	Artificial intelligence
ARM	Adjustable-rate mortgage
CAF	Development Bank of Latin America and the Caribbean
CAHF	Centre for Affordable Housing Finance in Africa
CPI	Consumer Price Index
ECLAC	Economic Commission for Latin America and the Caribbean
EIA/EIR	Environmental Impact Assessment and Environmental Impact Report
EMF	European Mortgage Federation
ESG	Environmental, social and governance
FRM	Fixed-rate mortgage
GCF	Green Climate Fund
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
HMF	Housing Microfinance
HOFINET	Housing Finance Information Network
HR	Hedonic regression
IDB	Inter-American Development Bank
IFC	International Finance Corporation
ILO	International Labour Organization
IMF	International Monetary Fund
IS	Informal Settlements
ISO	International Organization for Standardization
IT	Information technology
IUHF	International Union for Housing Finance
LAC	Latin America and the Caribbean
LTV	Loan-to-value
MI	Mortgage insurance
MINURVI	Forum of Ministers and High-Level Authorities of Housing and Urban Development of Latin America and the Caribbean
MP	Monetary poverty
N/A	Not applicable
N/F	Not found
NGO	Non-Governmental Organization
OECD	Organisation for Economic Co-operation and Development
p.p.	Percentage points
PPP	Public-private partnership
PPP	Purchasing power parity
PIR	Price-to-Income ratio
R&D	Research and development
REDCAMIF	Central American and Caribbean Microfinance Network

REIT	Real Estate Investment Trust (also see FIBRAs under Mexico)
RIR	Rent-to-Income ratio
RMBS	Residential mortgage-backed securities
SIH	Social interest housing (social housing)
SM	Simple mean
SSIH	Subsidized social interest housing
TP	Transaction price
UN	United Nations
UNDP	United Nations Development Program
UNIAPRAVI	Inter-American Housing Union
USD	U.S. dollar
VAT	Value-added tax
VP	Valuation price
VRM	Variable-rate mortgage
WDI	World Development Indicators
WDI	indicadores de desenvolvimiento mundial

Argentina

AGBC	Argentina Green Building Council
AGIP	Administración Gubernamental de Ingresos Públicos (Government Administration of Public Revenues)
ANDIMA	Asociación Nacional de Industrias de Materiales Aislantes (National Association of Insulating Material Industries)
ARCA	Agencia de Recaudación y Control Aduanero (Revenue and Customs Control Agency; formerly AFIP)
BCRA	Banco Central de la República Argentina (Central Bank of the Argentine Republic)
CABA	Ciudad Autónoma de Buenos Aires (Autonomous City of Buenos Aires)
CAMARCO	Cámara Argentina de la Construcción (Argentine Chamber of Construction)
DGEyC	Dirección General de Estadísticas y Censos (General Directorate of Statistics and Censuses)
EPH	Encuesta Permanente de Hogares (Permanent Household Survey)
INCOSE	Instituto de la Construcción en Seco Argentina (Institute of Dry Construction in Argentina)
INDEC	Instituto Nacional de Estadísticas y Censos (National Institute of Statistics and Censuses)
RENABAP	Registro Nacional de Barrios Populares (National Registry of Informal Settlements)
UVA	Unidad de Valor Adquisitivo (Purchasing Power Unit), index adjusted daily based on CER (Reference Stabilization Coefficient), which reflects the price index.

Barbados

BIDC	Barbados Investment and Development Corporation
BLR	Barbados Land Registry
BNSI	Barbados National Standards Institution
BSS	Barbados Statistical Service
CBB	Central Bank of Barbados
HOPE Inc	Home Ownership Providing Energy Inc.
MHL / MHLM	Ministry of Housing, Lands and Maintenance
MoF	Ministry of Finance, Economic Affairs and Investment
MoSL	Ministry of Social and Empowerment Labour (social housing link)
NHC	National Housing Corporation
TCDPO	Town and Country Development Planning Office
TFPA	Tenantries Freehold Purchase Act
UDC	Urban Development Commission

Brazil

ABCREC	Associação Brasileira de Entidades Operadoras de Microcrédito e Microfinanças (Brazilian Association of Microcredit and Microfinance Entities)
ABECIP	Associação Brasileira das Entidades de Crédito Imobiliário e Poupança (Brazilian Association of Real Estate Credit and Savings Institutions)
ABNT	Associação Brasileira de Normas Técnicas (Brazilian Association of Technical Standards)
ABRAINC	Associação Brasileira de Incorporadoras Imobiliárias (Brazilian Association of Real Estate Developers)
AIU	Áreas de Intervenção Urbana (Urban Intervention Areas)
ANBIMA	Associação Brasileira das Entidades dos Mercados Financeiro e de Capitais (Brazilian Financial and Capital Markets Association)
BCB	Banco Central do Brasil (Central Bank of Brazil)
BNDES	Banco Nacional de Desenvolvimento Econômico e Social (National Bank for Economic and Social Development)
CBIC	Câmara Brasileira da Indústria da Construção (Brazilian Chamber of the Construction Industry)
CDHU	Companhia de Desenvolvimento Habitacional e Urbano do Estado de São Paulo (Housing and Urban Development Company of the State of São Paulo)
CMN	Conselho Monetário Nacional (National Monetary Council)
CRI	Certificados de Recebíveis Imobiliários (Real Estate Receivables Certificates)
CUB	Custo Unitário Básico (Basic Construction Unit Cost)
EIV	Estudo de Impacto de Vizinhança (Neighborhood Impact Study)
FGHab	Fondo de Garantía de Vivienda Popular
FGTS	Fundo de Garantia do Tempo de Serviço (Workers' Severance Fund)
FII	Fundos de Investimento Imobiliário (Real Estate Investment Funds)
FIPE	Fundação Instituto de Pesquisas Econômicas (Foundation Institute for Economic Research)
FJP	Fundação João Pinheiro (João Pinheiro Foundation)
HFS	Sistema Financiero de Vivienda
IBGE	Instituto Brasileiro de Geografia e Estatística (Brazilian Institute of Geography and Statistics)
INCC	Índice Nacional de Custo da Construção (National Construction Cost Index)
IPCA	Índice Nacional de Preços ao Consumidor Amplo (Broad National Consumer Price Index)
IPEA	Instituto de Investigación Económica Aplicada
IPTU	Imposto Predial e Territorial Urbano (Urban Property Tax)
ITBI-IV	Imposto sobre a Transmissão de Bens Imóveis (ou Inter-Vivos) (Real Estate Transfer Tax)
LCI	Letras de Crédito Imobiliário (Real Estate Credit Letters)
LIG	Letra Imobiliária Garantida (Covered Real Estate Bonds)
MCMV	Minha Casa Minha Vida (My House, My Life Program)
ODDC	Outorga Onerosa do Direito de Construir (Granting of Construction Rights)
OUC	Operações Urbanas Consorciadas (Consortium Urban Operations)
PEUC	Parcelamento, Edificação ou Utilização Compulsórios (Mandatory Subdivision, Construction, or Use)
PNADC	Pesquisa Nacional por Amostra de Domicílios Contínua (National Household Survey)
RET	Regime Especial de Tributação (Special Taxation Regime)
SBPE	Sistema Brasileiro de Poupança e Empréstimo (Brazilian Savings and Loan System)
SCN	Sistema de Contas Nacionais (National Accounts System)
SFH	Sistema Financeiro de Habitação (Housing Finance System)
SISACOE	Sistema de Controle de Obras e Edificações (Construction and Building Control System)
TR	Taxa Referencial (Brazilian Reference Rate)

Chile

ADI	Asociación de Desarrolladores Inmobiliarios (Association of Real Estate Developers)
CASEN	Encuesta de caracterización socioeconómica nacional (National Socioeconomic Characterization Survey)
CChC	Cámara Chilena de la Construcción (Chilean Chamber of Construction)
CMF	Comisión para el Mercado Financiero (Financial Market Commission)
INE	Instituto Nacional de Estadísticas (National Institute of Statistics)

MDSyF	Ministerio de Desarrollo Social y Familia (Ministry of Social Development and Family)
MINVU	Ministerio de Vivienda y Urbanismo (Ministry of Housing and Urbanism)
SII	Servicio de Impuestos Internos (Internal Revenue Service)

Colombia

ASOBANCARIA	Asociación Bancaria y de Entidades Financieras de Colombia (Banking and Financial Institutions Association of Colombia)
CAMACOL	Cámara Colombiana de la Construcción (Colombian Chamber of Construction)
CEED	Censo de edificaciones (Building Census)
CHV	Cartera hipotecaria de vivienda (Mortgage Portfolio for Housing)
DANE	Departamento Administrativo Nacional de Estadística (National Administrative Department of Statistics)
DIAN	Dirección de Impuestos y Aduanas Nacionales (National Tax and Customs Office)
DNP	Departamento Nacional de Planeación (National Planning Department)
ECV	Encuesta de calidad de vida (Quality of Life Survey)
ELIC	Estadísticas de licencias de construcción (Construction Licensing Statistics)
FINDETER	Financiera de Desarrollo Territorial (Territorial Development Bank)
FNA	Fondo Nacional del Ahorro (National Savings Fund)
GEIH	Gran encuesta integrada de hogares (Large Integrated Household Survey)
ICODED	Índice de costos de la construcción de edificaciones (Building Construction Cost Index)
IPPR	Índice de precios de la propiedad residencial (Residential Property Price Index)
IPVN	Índice de precios de la vivienda nueva (New Housing Price Index)
MADS	Ministerio de Ambiente y Desarrollo Sostenible (Ministry of Environment and Sustainable Development)
MVCT	Ministerio de Vivienda, Ciudad y Territorio de Colombia (Ministry of Housing, City, and Territory of Colombia)
POT	Plan de Ordenamiento Territorial (Territorial Organization Plan/Territorial Planning Framework/Land Use Plan)
RENOBO	Empresa de Renovación y de Desarrollo Urbano de Bogotá (Bogotá Urban Renewal and Development Company)
RVU	Real Value Unit
SDHT	Secretaría Distrital de Hábitat (District Secretariat of Habitat)
SDP	Secretaría Distrital de Planeación (District Secretariat of Planning)
SFC	Superintendencia Financiera de Colombia (Financial Superintendence of Colombia)
SISBEN	Sistema de Identificación de Potenciales Beneficiarios de Programas Sociales (System for Identifying Potential Beneficiaries of Social Programs)
SNR	Superintendencia de Notariado y Registro (Superintendence of Notaries and Registration)
VIP	Vivienda de Interés Prioritario (Priority Interest Housing)
SDHT	Secretaria Distrital de Habitat
SDP	Secretaria Distrital de Planeamiento
SFC	Superintendência Financeira da Colômbia
SISBEN	Sistema de Identificação de Potenciais Beneficiários de Programas Sociais
SNR	Superintendência de Notariado e Registro
UVR	Unidade de Valor Real
UVT	Unidade de Valor Tributário

Costa Rica

ABC	Asociación Bancaria Costarricense (Costa Rican Banking Association)
BANHVI	Banco Hipotecario de la Vivienda (Mortgage Housing Bank)
BCCR	Banco Central de Costa Rica (Central Bank of Costa Rica)
CFIA	Colegio Federado de Ingenieros y de Arquitectos (Federated College of Engineers and Architects)
CGR	Contraloría General de la República (Office of the Comptroller General of the Republic)
ENAH0	Encuesta Nacional de Hogares (National Household Survey)
GM	Grupo Mutual (Mutual Savings and Loan Group)

INEC	Instituto Nacional de Estadística y Censos (National Institute of Statistics and Censuses)
INVU	Instituto Nacional de Vivienda y Urbanismo (National Housing and Urban Development Institute)
MIVAH	Ministerio de Vivienda y Asentamientos Humanos (Ministry of Housing and Human Settlements)
MUCAP	Mutual de Ahorro y Crédito (Savings and Credit Mutual Association)
SFNV	Sistema Financiero Nacional para la Vivienda (National Housing Finance System)
SUGEF	Superintendencia General de Entidades Financieras (General Superintendency of Financial Institutions)
SUGESE	Superintendencia General de Seguros (General Superintendency of Insurance)
SUGEVAL	Superintendencia General de Valores (General Superintendency of Securities)

Dominican Republic

ABA	Asociación de Bancos Múltiples de la República Dominicana (Association of Commercial Banks of the Dominican Republic)
ACOPROVI	Asociación Dominicana de Constructores y Promotores de Viviendas (Dominican Association of Housing Developers and Builders)
BANRESERVAS	Banco de Reservas de la República Dominicana
BCRD	Banco Central de República Dominicana (Central Bank of the Dominican Republic)
CENSO 2010	IX Censo Nacional de Población y Vivienda de 2010 (Ninth National Population and Housing Census, 2010)
CENSO 2022	X Censo Nacional de Población y Vivienda de 2022 (Tenth National Population and Housing Census, 2022)
DGII	Dirección General de Impuestos Internos (General Directorate of Internal Revenue)
ECTF	Encuesta Continua de Fuerza de Trabajo (Continuous Labor Force Survey)
ENCOVI	Encuesta Nacional de Condiciones de Vida (National Living Conditions Survey)
END	Estrategia Nacional de Desarrollo (National Development Strategy)
ENHOGAR	Encuesta Nacional de Hogares de Propósitos Múltiples (National Multipurpose Household Survey)
ENTF	Encuesta Nacional de Fuerza de Trabajo (National Labor Force Survey)
FONVIVIENDA	Fondo Nacional de Vivienda de República Dominicana (National Housing Fund of the Dominican Republic)
ITBIS	Impuesto sobre Transferencias de Bienes Industrializados y Servicios (Tax on the Transfer of Industrialized Goods and Services)
JCE	Junta Central Electoral (Central Electoral Board)
MEPyD	Ministerio de Economía, Planificación y Desarrollo (Ministry of Economy, Planning, and Development)
MINPRE	Ministerio de la Presidencia (Ministry of the Presidency)
MIVED	Ministerio de Vivienda y Edificaciones (Ministry of Housing and Buildings)
ONE	Oficina Nacional de Estadística (National Statistics Office)
PNPSP	Plan Nacional Plurianual del Sector Público (Multiannual National Public Sector Plan)
PNVFF	Plan Nacional de Vivienda Familia Feliz (Familia Feliz National Housing Plan)
ROE	Registro de Oferta de Edificaciones (Building Supply Registry)
SB	Superintendencia de Bancos (Superintendency of Banks)
SIMBAD	Superintendencia de Bancos de la República Dominicana (Superintendency of Banks of the Dominican Republic)
SISDOM	Sistema de Indicadores Sociales de la República Dominicana (Social Indicators System of the Dominican Republic)
URBE	Unidad Ejecutora para la Readequación de Barrios y Entornos (Executing Unit for Neighborhood and Urban Redevelopment)
UTECT	Unidad Técnica Ejecutora de Titulación de Terrenos del Estado (Technical Executing Unit for State Land Titling)
VIP	Vivienda de Interés Prioritario (Priority Interest Housing)

Ecuador

BCE	Banco Central del Ecuador (Central Bank of Ecuador)
BIESS	Banco del Instituto Ecuatoriano de Seguridad Social (Bank of the Ecuadorian Social Security Institute)
CJ	Consejo de la Judicatura (Judiciary Council)
COOTAD	Código Orgánico de Organización Territorial, Autonomía y Descentralización (Organic Code of Territorial Organization, Autonomy, and Decentralization)
CTF	Clean Technology Fund

IESS	Instituto Ecuatoriano de Seguridad Social (Ecuadorian Social Security Institute)
INEC	Instituto Nacional de Estadísticas y Censos (National Institute of Statistics and Censuses)
JPRM	Junta de Política y Regulación Monetaria (Monetary and Financial Policy Board)
MIDUVI	Ministerio de Desarrollo Urbano y Vivienda (Ministry of Urban Development and Housing)
SB	Superintendencia de Bancos (Superintendency of Banks)
SEPS	Superintendencia de Economía Popular y Solidaria (Superintendency of Popular and Solidary Economy)
SRI	Servicio de Rentas Internas (Internal Revenue Service)
STPAHI	Sistema de Transparencia de la Administración Pública de la Información Histórica (Public Administration Historical Information Transparency System)
SUGEVAL	Superintendencia General de Valores
VIP	Vivienda de Interés Prioritario (Priority Interest Housing)

El Salvador

BCR	Banco Central de Reserva (Central Reserve Bank)
CABEI	Central American Bank for Economic Integration
CASALCO	Cámara Salvadoreña de la Construcción (Salvadoran Chamber of Construction)
CNR	Centro Nacional de Registros (National Registry Center)
COAMSS	Consejo de Alcaldes del Área Metropolitana de San Salvador (Council of Mayors of the San Salvador Metropolitan Area)
DIGESTYC	Dirección General de Estadística y Censos de El Salvador (General Directorate of Statistics and Censuses of El Salvador)
FONAVIPO	Fondo Nacional de Vivienda Popular (National Popular Housing Fund)
FSV	Fondo Social para la Vivienda (Social Housing Fund)
FUNDASAL	Fundación Salvadoreña de Desarrollo y Vivienda Mínima (Salvadoran Foundation for Development and Minimum Housing)
GOES	Gobierno de El Salvador (Government of El Salvador)
HFH	Habitat for Humanity
MIVI	Ministerio de Vivienda (Ministry of Housing)
ONEC	Oficina Nacional de Estadística y Censos (National Office of Statistics and Censuses)
OPAMSS	Oficina de Planificación del Área Metropolitana de San Salvador (Planning Office of the San Salvador Metropolitan Area)
SIGET	Superintendencia General de Electricidad y Telecomunicaciones (General Superintendency of Electricity and Telecommunications)
SSF	Superintendencia del Sistema Financiero (Financial System Superintendency)
UIF	Unidad de Investigación Financiera (Financial Investigation Unit)

Honduras

AHIBA	Asociación Hondureña de Instituciones Bancarias (Honduran Banking Association)
BANHPROVI	Banco Hondureño para la Producción y la Vivienda (Honduran Bank for Production and Housing)
BCH	Banco Central de Honduras (Central Bank of Honduras)
CHICO	Cámara Hondureña de la Industria de la Construcción (Honduran Chamber of the Construction Industry)
CNBS	Comisión Nacional de Bancos y Seguros (National Banking and Insurance Commission)
CONVIVIENDA	Comisión Nacional de Vivienda y Asentamientos Humanos (National Commission on Housing and Human Settlements)
ENAG	Encuesta Nacional de Gastos de los Hogares (National Household Expenditure Survey)
EPHPM	Encuesta Permanente de Hogares de Propósitos Múltiples (Permanent Multipurpose Household Survey)
FHIS	Fondo Hondureño de Inversión Social (Honduran Social Investment Fund)
FOSovi	Fondo Social para la Vivienda (Social Housing Fund)
INE	Instituto Nacional de Estadísticas (National Statistics Institute)
INSEP	Instituto de Infraestructura y Servicios Públicos (Institute of Infrastructure and Public Services)
PROVICCSOL	Programa de Vivienda Ciudadana y Crédito Solidario (Citizen Housing and Solidarity Credit Program)
PVAH	Programa de Vivienda y Asentamientos Humanos (Housing and Human Settlements Program)
SEDECOAS	Secretaría de Desarrollo Comunitario, Agua y Saneamiento (Ministry of Community Development, Water and Sanitation)

SEDESOL	Secretaría de Desarrollo e Inclusión Social (Ministry of Social Development and Inclusion)
SEFIN	Secretaría de Finanzas (Ministry of Finance)
SEN	Sistema Estadístico Nacional (National Statistical System)
SEPLANH	Secretaría de Planificación y Gestión Pública (Ministry of Planning and Public Management)
SOPTRAVI	Secretaría de Obras Públicas, Transporte y Vivienda (Ministry of Public Works, Transport and Housing)

Mexico

BANXICO	Banco de México (Central Bank of Mexico)
BIE	Banco de Información Económica (Economic Information System)
CAT	Costo anual total (Total Annual Cost)
CFE	Comisión Federal de Electricidad (Mexico's state-owned electric utility)
CNBV	Comisión Nacional Bancaria y de Valores (National Banking and Securities Commission)
COFINAVIT	Cofinanciamiento Infonavit (INFONAVIT Co-Financing Mortgage Scheme)
CONAVI	Comisión Nacional de Vivienda (National Housing Commission)
ENADID	Encuesta Nacional de la Dinámica Demográfica (National Survey of Demographic Dynamics)
ENIGH	Encuesta Nacional de Ingresos y Gastos de los Hogares (National Household Income and Expenditure Survey)
ENOE	Encuesta Nacional de Ocupación y Empleo (National Occupation and Employment Survey)
ENSUELO	Estrategia Nacional de Gestión de Suelo (National Land Management Strategy)
ENVI	Encuesta Nacional de Vivienda (National Housing Survey)
FIBRAs	Fideicomisos de Inversión en Bienes Raíces (Real Estate Investment Trusts)
FOGAPE	Fondo de Garantía para Préstamos Personales
FOVISSSTE	Fondo de la Vivienda del Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado (Housing Fund of the Institute for Social Security and Services for State Workers)
IMSS	Instituto Mexicano del Seguro Social (Mexican Social Security Institute)
INEGI	Instituto Nacional de Estadística y Geografía (National Institute of Statistics and Geography)
INFONAVIT	Instituto del Fondo Nacional de la Vivienda para los Trabajadores (Institute of the National Housing Fund for Workers)
INSUS	Instituto Nacional del Suelo Sustentable (National Institute for Sustainable Land)
IPV	Índice SHF de Precios de la Vivienda (SHF House Price Index)
ISAI	Impuesto sobre Adquisición de Inmuebles (Property Acquisition Tax)
ISR	Impuesto Sobre la Renta (Income Tax)
RUV	Registro Único de Vivienda (National Housing Registry)
SAT	Servicio de Administración Tributaria (Tax Administration Service)
SCV	Subcuenta de Vivienda (Housing Subaccount)
SEDATU	Secretaría de Desarrollo Agrario, Territorial y Urbano (Ministry of Agrarian, Territorial, and Urban Development)
SHCP	Secretaría de Hacienda y Crédito Público (Ministry of Finance and Public Credit)
SHF	Sociedad Hipotecaria Federal (Federal Mortgage Society)
SIESCO	CONAVI Statistical Information System (Mexico)
SNIIV	Sistema Nacional de Información e Indicadores de Vivienda (National Housing Information and Indicators System)
SEDATU	Secretaria de Desenvolvimento Agrário, Territorial e Urbano
SHCP	Secretaria de Fazenda e Crédito Público
SHF	Sociedade Hipotecária Federal
SNIIV	Sistema Nacional de Informações e Indicadores de Habitação

Panama

ACOBIR	Asociación Panameña de Corredores y Promotores de Bienes Raíces (Panamanian Association of Real Estate Brokers and Developers)
ANATI	Autoridad Nacional de Administración de Tierras (National Land Administration Authority)
APC	Asociación Panameña de Crédito (Panamanian Credit Association)
BDA	Banco de Desarrollo Agropecuario (Agricultural Development Bank)

BHP	Banco Hipotecario de Panamá (Panama Mortgage Bank)
BN	Banco Nacional de Panamá (National Bank of Panama)
CAPAC	Cámara Panameña de la Construcción (Panamanian Chamber of Construction)
CONVIVIENDA	Consejo Nacional de Promotores de Vivienda (National Housing Developers Council)
FONDHABI	Fondo de Ahorro Habitacional (Housing Savings Fund)
FSV	Fondo Solidario de Vivienda (Solidarity Housing Fund)
INEC	Instituto Nacional de Estadística y Censo (National Institute of Statistics and Census)
IPACOOOP	Instituto Panameño Autónomo Cooperativo (Autonomous Panamanian Cooperative Institute)
ITBI	Impuesto a la Transferencia de Bienes Inmuebles (Real Estate Transfer Tax)
IVM	Invalidez, Vejez y Muerte (Disability, Old Age, and Death Program)
MEF	Ministerio de Economía y Finanzas (Ministry of Economy and Finance)
MIVIOT	Ministerio de Vivienda y Ordenamiento Territorial (Ministry of Housing and Territorial Planning)
MOP	Ministerio de Obras Públicas (Ministry of Public Works)
PPOT	Plan Parcial de Ordenamiento Territorial (Partial Land Use Plan)
RES	Reglamento de Edificaciones Sostenibles (Sustainable Building Regulation)
SBP	Superintendencia de Bancos de Panamá (Superintendency of Banks of Panama)

Paraguay

AFD	Agencia Financiera de Desarrollo (Development Finance Agency)
BCP	Banco Central del Paraguay (Central Bank of Paraguay)
BNF	Banco Nacional de Fomento (National Development Bank)
DGEEC	Dirección General de Estadística, Encuestas y Censos (General Directorate of Statistics, Surveys and Censuses)
ENEMDU	Encuesta Nacional de Empleo, Desempleo y Subempleo (National Survey of Employment, Unemployment and Underemployment)
ENIGH / EIG	Encuesta Nacional de Ingresos y Gastos de los Hogares (National Household Income and Expenditure Survey)
EPH	Encuesta Permanente de Hogares (Permanent Household Survey)
FOGAVI	Fondo de Garantía para la Vivienda (Housing Guarantee Fund)
FONAVIS	Fondo Nacional de la Vivienda Social (National Social Housing Fund)
INDERT	Instituto Nacional de Desarrollo Rural y de la Tierra (National Institute for Rural and Land Development)
INE	Instituto Nacional de Estadística (National Institute of Statistics)
MDS	Ministerio de Desarrollo Social (Ministry of Social Development)
MEF	Ministerio de Economía y Finanzas (Ministry of Economy and Finance; formerly MH)
MUVH	Ministerio de Urbanismo, Vivienda y Hábitat (Ministry of Urban Development, Housing and Habitat)
SENAVITAT	Secretaría Nacional de la Vivienda y el Hábitat (National Secretariat for Housing and Habitat)
STP	Secretaría Técnica de Planificación (Technical Secretariat for Planning)

Peru

AVN	Modalidad Adquisición de Vivienda Nueva, del Programa Techo Propio (New Home Purchase Modality of the Techo Propio Program)
BBVA	Banco Bilbao Vizcaya Argentaria (Banco Bilbao Vizcaya Argentaria)
BCP	Banco de Crédito del Perú (Banco de Crédito del Perú)
BCRP	Banco Central de Reserva del Perú (Central Reserve Bank of Peru)
CPV	Censo de Población y Vivienda (Population and Housing Census)
CSP	Modalidad Construcción en Sitio Propio, del Programa Techo Propio (On-Site Construction Modality of the Techo Propio Program)
ENAHO	Encuesta Nacional de Hogares (National Household Survey)
FMV	Fondo MIVIVIENDA (MIVIVIENDA Fund)
GRADE	Grupo de Análisis para el Desarrollo (Group for the Analysis of Development)
INEI	Instituto Nacional de Estadística e Informática (National Institute of Statistics and Informatics)
LDUS	Ley de Desarrollo Urbano Sostenible (Sustainable Urban Development Law)

MEF	Ministerio de Economía y Finanzas (Ministry of Economy and Finance)
MVCS	Ministerio de Vivienda, Construcción y Saneamiento (Ministry of Housing, Construction and Sanitation)
PTP	Programa Techo Propio, del Fondo MIVIVIENDA (Techo Propio Program, under the MIVIVIENDA Fund)
RENAMU	Registro Nacional de Municipalidades (National Registry of Municipalities)
SAT	Servicio de Administración Tributaria de Lima (Lima Tax Administration Service)
SBS	Superintendencia de Banca, Seguros y AFP (Superintendency of Banking, Insurance and Private Pension Funds)
SUNAT	Superintendencia Nacional de Aduanas y de Administración Tributaria (National Superintendency of Customs and Tax Administration)
SBS	Superintendência do Sistema Financeiro, de Seguros e de Fundos de Pensão do Peru
SUNAT	Superintendência Nacional de Alfândegas e Administração Tributária
ZEIS	Zonas Especiais de Interesse Social

Uruguay

ANONG	Asociación Nacional de Organizaciones No Gubernamentales Orientadas al Desarrollo (National Association of Development-Oriented Non-Governmental Organizations)
ANV	Agencia Nacional de Vivienda (National Housing Agency)
BCU	Banco Central del Uruguay (Central Bank of Uruguay)
BHU	Banco Hipotecario del Uruguay (Mortgage Bank of Uruguay)
BPS	Banco de Previsión Social (Social Security Bank)
CCU	Centro Cooperativista Uruguayo (Uruguayan Cooperative Center)
CIU	Cámara Inmobiliaria Uruguaya (Uruguayan Real Estate Chamber)
DGR	Dirección General de Registros (General Directorate of Registries)
DINAGUA	Dirección Nacional de Aguas (National Water Directorate)
DINISU	Dirección Nacional de Integración Social y Urbana (National Directorate for Social and Urban Integration)
DINOT	Dirección Nacional de Ordenamiento Territorial (National Directorate of Land Management)
ECH	Encuesta Continua de Hogares (Continuous Household Survey)
ENASU	Estrategia Nacional de Acceso al Suelo Urbano (National Urban Land Access Strategy)
FECovi	Federación de Cooperativas de Vivienda (Federation of Housing Cooperatives)
FGCH	Fondo de Garantía de Créditos Hipotecarios (Mortgage Credit Guarantee Fund)
FONAVI	Fondo Nacional de Vivienda (National Housing Fund)
ICCV	Índice de Costos de la Construcción de Vivienda (Housing Construction Cost Index)
IMM	Intendencia de Montevideo (Municipality of Montevideo)
INE	Instituto Nacional de Estadística (National Institute of Statistics)
MA	Ministerio de Ambiente (Ministry of Environment)
MEF	Ministerio de Economía y Finanzas (Ministry of Economy and Finance)
MIDES	Ministerio de Desarrollo Social (Ministry of Social Development)
MVOT	Ministerio de Vivienda, Ordenamiento Territorial (Ministry of Housing and Territorial Planning)
OPP	Oficina de Planeamiento y Presupuesto (Planning and Budget Office)
OSE	Administración Nacional de las Obras Sanitarias del Estado (National Administration of State Sanitation Works)
OTDS	Ordenamiento Territorial y Desarrollo Sostenible (Land Management and Sustainable Development)
OTU	Observatorio Territorio Uruguay (Uruguay Territory Observatory)
PMB	Plan de Mejoramiento de Barrios (Neighborhood Improvement Plan)
PQV	Planes Quinquenales de Vivienda (Five-Year Housing Plans)
SPV	Sistema Público de Vivienda (Public Housing System)
UI	Unidades Indexadas (Indexed Units)

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