

Mexico Real Estate and Investment News

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Mexico Mortgage Growth To Ignite Property Market

As Mexico's economy bounces back from recession it looks like growth in Mexico mortgage loans is set to ignite the real estate market.

Last month, the federal government-backed mortgage agency, Infonavit, sold almost \$200 million of mortgage-based securities through financial markets. The sale attracted foreign buyers: a sign that confidence in Mexico real estate is high.

Following on from that news, Enrique Zorrilla, a top Citigroup banker, told the Wall Street Journal yesterday that Mexican bank loans will grow at a faster rate than the economy, with Mexico mortgage and commercial lending being the main contributors.

The extra liquidity and positive psychological effects of the increased Mexico mortgage lending are expected to give the already buoyant Mexican property market a significant extra boost.

As an abundance of foreign investors and businesses line up to invest in Mexico -- from Marriott hotels, to IBM computers, to Electrolux household appliances -- it stands to reason that more multinational cash will find its way into real estate too.



Add to this the boom in Mexico mortgage loans and it's clear conditions are right to spark an explosion in property buying.

Demand will start to overwhelm supply, say Mexico real estate professionals, and sharp growth in property prices can be expected over the coming years.

The rise is predicted to affect the commercial markets to begin with but this will quickly overflow into the residential and vacation home markets too.

For the savvy investor looking for a secure haven with high returns, the opportunities in Mexico are now many.

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