

Table 7: Private Investment in Construction

| | 1990 (Units) | 1991 | 1990 (U.S.\$ millions) | 1991 |
|--|-----------------|---------|---------------------------|-----------------|
| Residential buildings | | | | |
| One family housing | 77,100 | 82,500 | 5,355.9 | 6,333.3 |
| Luxury | 2,100 | 2,500 | | |
| Middle | 27,000 | 29,000 | | |
| Social | 48,000 | 82,500 | | |
| Multiple family housing | 67,775 | 75,400 | 2,150.8 | 2,620.0 |
| Luxury | 1,575 | 1,600 | | |
| Middle | 13,200 | 13,800 | | |
| Social | 53,000 | 60,000 | | |
| Self-construction | 330,000 | 360,000 | 1,312.9 | 1,786.7 |
| Suburban | 180,000 | 200,000 | | |
| Rural | 150,000 | 160,000 | | |
| Total | | | 8,819.6 | 10,740.0 |
| Remodelling & maintenance of residential construction | | | | |
| Luxury | 15,000 | 16,000 | | |
| Middle | 110,000 | 115,000 | | |
| Social | 460,000 | 470,000 | | |
| Total | 585,000 | 601,000 | 812.2 | 985.3 |
| Industrial buildings | | | | |
| Large firms | 47 | 68 | 659.1 | 1,234.7 |
| New plants | 15 | 24 | | |
| Expansion | 32 | 44 | | |
| Medium-sized firms | 932 | 592 | 552.9 | 682.3 |
| New plants | 60 | 72 | | |
| Expansions | 60 | 85 | | |
| Industrial remodelling & expansion | 210 | 215 | | |
| Storage | 196 | 200 | | |
| Silos | 406 | 20 | | |
| Commercial buildings | | | | |
| Luxury offices | 28 | 30 | | |
| Middle offices | 70 | 60 | | |
| Malls | 11 | 20 | | |
| Supermarkets | 21 | | | |
| Stores | 420 | | | |
| Total | 550 | 110 | 1,236.8 | 1,122.7 |
| Institutional buildings | | | | |
| Sport clubs | 14 | 20 | | |
| Schools | 140 | 130 | | |
| Universities | 6 | 4 | | |
| Movies & theatres | 14 | 10 | | |
| Churches | 28 | 30 | | |
| Total | 202 | 194 | 204.0 | 242.8 |
| Medical buildings | | | | |
| Medium-sized hospitals | 11 | 13 | | |
| Clinics | 25 | 32 | | |
| Total | 36 | 45 | 52.5 | 60.3 |
| Hotels | | | | |
| Luxury | 21 | 15 | | |
| Middle | 28 | 17 | | |
| Motels | 25 | 26 | | |
| Total | 74 | 58 | 1,162.8 | 1,666.3 |
| Grand Total | | | 13,499.9 | 16,734.4 |

Source: *Catálogo CIHAC de la Construcción, 1991*

In the area of hotel and tourism-related construction, the government-managed FONATUR (National Fund for Tourism) plays an important role in the development of new areas and infrastructure, as well as in the financing of hotel construction. This sector received credits totalling U.S.\$63 million in 1990. These credits generated total investments of U.S.\$155 million in hotel construction.

4.3 Housing

Several agencies have contributed to the construction and sale of housing: the local banks have instituted the National Housing Program, and there are several compulsory savings funds, including INFONAVIT and FOVISSSTE, federal government and public agency programs. Credit funds provided by local banks for construction have increased significantly in the past two years. In 1988, about U.S.\$649 million was available to the construction sector. By 1990, this amount had increased to U.S.\$3,228 million, a 198.8 percent increase. Of these funds, 98 percent was from the private banking system.

About 675,000 housing units were built in 1991, an increase of 3.8 percent. Of this total, CIHAC considered that 381,200 were acceptable constructions. The rest were considered deficient because improper materials had been used. Of the total acceptable housing, 53 percent was social interest or subsidized housing built by the formal sector, most of which were public sector institutions. The remaining 47 percent was built by the informal sector and consisted mostly of middle-class housing and economic housing without financing.

During 1990, the public sector increased investments in the construction of public housing by 18.5 percent, after showing two consecutive years of -11 percent. Investments in this area increased from U.S.\$2.9 billion in 1989 to U.S.\$3.2 billion in 1990. (See Table 8.)

Between 1987 and 2000, it is estimated that over 8 million new homes will have to be built, about 636,000 per year. Of these, 68 percent correspond to low-income family housing, 17 percent to low-middle income housing, 7 percent to high-middle income housing and 2 percent to high-income housing.