

MexicoInsight

Concise guides to living, working and retiring in Mexico

Guide to Realty Developments in Mexico

About the Mexico Insight Guide Series

Mexico Insight is a series of concise guides on topics related to living, working and retirement in Mexico, published by Mexperience.com. They are written by people who are expert in their field and who know Mexico intimately.

These guides offer you the opportunity to become appraised of the most important facts and issues related to the subject, providing a solid overview that enables you to shortlist choices, engage with or eliminate certain options, make informed decisions, and pursue your preferred route forward by undertaking further research using the references provided herein.

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MexicoInsight: Guide to Realty Developments in Mexico

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Foreword

It's hard to visit one of Mexico's popular resort regions and not see some construction work going on these days. Although the economic downturn has put a dampener on production of new homes, new developments are still being completed, if not at the rate and pace that they were in the early part of the new century.

Property developments in Mexico are modeled on property developments in other countries: developers acquire a large tract of land and arrange all the permissions to build on it. Then they create a residential community, often incorporating local amenities and leisure facilities into the design.

Many developments in Mexico are condominium buildings (condos), although there are also a large number of non-condo developments, for example, a collection of homes designed with a certain theme and built up around a golf course or parkland, next to the ocean or a lake. An increasing number of 'boutique' developers are also appearing onto the market; creating smaller, intimate projects designed for simple, but comfortable, living in Mexico.

Modern developments are usually designed around a specific theme: they have a lifestyle concept entwined into their design. To create more than just a group of homes, developers often attempt to create a community or 'village feel' with each project. This adds intrinsic value to the properties and gives buyers additional incentives to acquire them.

This guide has been penned to help you to understand real estate developments in Mexico, as well as the developers who build them, and guide you through some key aspects of this investment type; how they are built and marketed and what they offer that is distinct to other home purchases. The guide will help you to make informed choices should you decide to buy property from a developer, directly or through the developer's assigned agent.

About Property Developers in Mexico

Property developers with deep pockets have weighed-in to Mexico's real estate market investing, collectively, not just hundreds of millions but billions of dollars of capital over the last decade.

The developers are not throwing their money into the market idly. They are doing their homework: choosing their locations carefully, conducting extensive research about what their clients want in terms of services, features and facilities, and they are building not just homes but entirely new serviced communities where people, spaces and environment may blend and interact successfully together. As a result of the care and attention being paid to these projects, the people who are buying homes in these new developments are moving into a new lifestyle, not just a new home.

Some development projects also encompass ecologically-sustainable practices and new technologies. Rain water recycling, sustainable landscaping and solar panels are just a few of the initiatives being implemented to new buildings in some Mexican development projects today. With increasing awareness of environmental issues, we can expect to see a substantial surge in the use of eco-friendly building materials and technologies in the years ahead.

There are a number of sensible reasons why buying a home from a property development in Mexico is proving popular with investors. These are discussed in detail later in this guide.

Most of the major investments are being made along Mexico's coasts. At sea-level, they provide year-round warmth, and a fantastic environment in which to live, work or retire. Mexico's established coastal resort areas, which were there long before the new developers, have themselves been planned and developed over decades so the availability of, and access to, local services, utilities, transport systems and health care exists already in most instances, and where these don't exist, the real estate money is bringing with it an influx of investment in new local services and facilities.

The growth isn't limited to the coasts and popular ocean-side locations. Mexican colonial cities, towns and even some villages are benefiting from the inward investment in Mexican real estate. Coupled with the increased competition in Mexico's air transport market, as well as new roads and highways, Mexico's colonial towns and cities are also being discovered by developers and people searching for beautiful places to live, work or retire in. Examples include the colonial cities of **Morelia** and **Campeche**.

Small towns and villages which were considered 'outposts', say five years ago, are today evolving into bustling local communities in their own right: the foreign real estate investment being poured in to certain local areas is creating a beneficial knock-on effect: bringing investment, jobs and a new lease of life to previously 'back-water' or under-developed rural areas. **San Felipe**, a fishing village on the edge of the Sea of Cortes (Gulf of California), is an excellent example of such a village.

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